

**HELLENIC PETROLEUM S.A.**

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

**31 MARCH 2012**



**HELLENIC PETROLEUM S.A.**  
CONDENSED INTERIM FINANCIAL INFORMATION  
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*(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	4
III. Condensed Interim Statement of Comprehensive Income	5
IV. Condensed Interim Statement of Changes in Equity	6
V. Condensed Interim Statement of Cash Flows	7
VI. Notes to the Condensed Interim Financial Information	8

**HELLENIC PETROLEUM S.A.**  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012  
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**I. Company Information**

<b>Directors</b>	Christos-Alexis Komninos – Chairman of the Board (since 23/12/2011) John Costopoulos – Chief Executive Officer, Executive Member Theodoros-Achilleas Vardas – Executive Member Dimokritos Amallos – Non executive Member Alexios Athanasopoulos – Non executive Member Georgios Kallimopoulos – Non executive Member Alexandros Katsiotis – Non executive Member Gerassimos Lachanas – Non executive Member Dimitrios Lalas – Non executive Member Panagiotis Ofthalmides – Non executive Member Theodoros Pantalakis – Non executive Member Spyridon Pantelias – Non executive Member Ioannis Sergopoulos – Non executive Member (since 31/8/2011)
<b>Other Board Members during the previous period:</b>	Anastasios Giannitsis – Chairman of the Board (02/12/2009 –11/11/2011) Anastasios Banos – Non executive Member (28/12/2009 – 31/8/2011)
<b>Registered Office:</b>	8A Chimarras Str. 15125 Maroussi, Greece
<b>Registration number:</b>	2443/06/B/86/23
<b>Auditors:</b>	PricewaterhouseCoopers S.A. 268 Kifissias Ave. 152 32 Halandri Greece

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### II. Condensed Interim Statement of Financial Position

		As at	
	Note	31 March 2012	31 December 2011
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	2.524.413	2.471.921
Intangible assets	11	12.797	13.412
Investments in affiliated companies		665.404	665.404
Available-for-sale financial assets		41	41
Loans, advances and other receivables	12	4.568	3.843
		<b>3.207.223</b>	<b>3.154.621</b>
<b>Current assets</b>			
Inventories	13	1.141.706	994.893
Trade and other receivables	14	917.139	868.601
Cash and cash equivalents	15	127.637	563.282
		<b>2.186.482</b>	<b>2.426.776</b>
<b>Total assets</b>		<b>5.393.705</b>	<b>5.581.397</b>
<b>EQUITY</b>			
Share capital	16	1.020.081	1.020.081
Reserves	17	497.199	488.096
Retained Earnings		474.890	408.648
<b>Total equity</b>		<b>1.992.170</b>	<b>1.916.825</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	18	433.000	837.603
Deferred income tax liabilities	19	18.839	509
Retirement benefit obligations		85.009	86.027
Long term derivatives	20	36.733	50.158
Provisions and other long term liabilities	21	38.535	39.213
		<b>612.116</b>	<b>1.013.510</b>
<b>Current liabilities</b>			
Trade and other payables	22	1.283.609	1.568.241
Current income tax liabilities		18.201	15.140
Borrowings	18	1.485.204	1.065.276
Dividends payable		2.405	2.405
		<b>2.789.419</b>	<b>2.651.062</b>
<b>Total liabilities</b>		<b>3.401.535</b>	<b>3.664.572</b>
<b>Total equity and liabilities</b>		<b>5.393.705</b>	<b>5.581.397</b>

The notes on pages 8 to 27 are an integral part of this interim financial information.

Chief Executive Officer

Chief Financial Officer

Accounting Director

John Costopoulos

Andreas Shiamishis

Ioannis Letsios

**HELLENIC PETROLEUM S.A.**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012**  
*(All amounts in Euro thousands unless otherwise stated)*

### III. Condensed Interim Statement of Comprehensive Income

	Note	For the three month period ended 31 March 2012	31 March 2011
<b>Sales</b>		<b>2.613.265</b>	<b>2.233.799</b>
Cost of sales		(2.506.378)	(2.068.455)
<b>Gross profit</b>		<b>106.887</b>	<b>165.344</b>
Selling, distribution and administrative expenses	4	(32.140)	(40.854)
Exploration and development expenses		(223)	(714)
Other operating (expenses)/income - net	5	(2.044)	1.905
<b>Operating profit</b>		<b>72.480</b>	<b>125.681</b>
Finance (expenses)/income -net	6	(3.652)	(8.234)
Currency exchange gains/(losses)	7	16.684	23.062
<b>Profit/(loss) before income tax</b>		<b>85.512</b>	<b>140.509</b>
Income tax expense	8	(19.270)	(39.192)
<b>Profit/(loss) for the period</b>		<b>66.242</b>	<b>101.317</b>
<b>Other comprehensive income:</b>			
Unrealised gains/(losses) on revaluation of hedges	20	9.103	(88.355)
<b>Other Comprehensive income/(loss) for the period, net of tax</b>		<b>9.103</b>	<b>(88.355)</b>
<b>Total comprehensive income for the period</b>		<b>75.345</b>	<b>12.962</b>
<b>Basic and diluted earnings per share (expressed in Euro per share)</b>	9	<b>0,22</b>	<b>0,33</b>

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# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

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

	Note	Share Capital	Reserves	Retained Earnings	Total Equity
<b>Balance at 1 January 2011</b>		<b>1.020.081</b>	<b>495.063</b>	<b>392.397</b>	<b>1.907.541</b>
Unrealised (losses) / gains on revaluation of hedges	20	-	(88.355)	-	(88.355)
<b>Other comprehensive income</b>		<b>-</b>	<b>(88.355)</b>	<b>-</b>	<b>(88.355)</b>
Profit for the period		-	-	101.317	101.317
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(88.355)</b>	<b>101.317</b>	<b>12.962</b>
<b>Balance at 31 March 2011</b>		<b>1.020.081</b>	<b>406.708</b>	<b>493.714</b>	<b>1.920.503</b>
<b>Movement - 1 April 2011 to 31 December 2011</b>					
Unrealised gains / (losses) on revaluation of hedges	20	-	75.447	-	75.447
<b>Other comprehensive income</b>		<b>-</b>	<b>75.447</b>	<b>-</b>	<b>75.447</b>
Profit for the period		-	-	11.447	11.447
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>75.447</b>	<b>11.447</b>	<b>86.894</b>
Share based payments	17	-	1.119	-	1.119
Transfers to statutory and tax reserves	17	-	4.822	(4.822)	-
Interim dividend relating to 2010		-	-	(91.691)	(91.691)
<b>Balance at 31 December 2011</b>		<b>1.020.081</b>	<b>488.096</b>	<b>408.648</b>	<b>1.916.825</b>
<b>Movement - 1 January 2012 to 31 March 2012</b>					
Unrealised (losses) / gains on revaluation of hedges	20	-	9.103	-	9.103
<b>Other comprehensive income</b>		<b>-</b>	<b>9.103</b>	<b>-</b>	<b>9.103</b>
Profit for the period		-	-	66.242	66.242
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>9.103</b>	<b>66.242</b>	<b>75.345</b>
<b>Balance at 31 March 2012</b>		<b>1.020.081</b>	<b>497.199</b>	<b>474.890</b>	<b>1.992.170</b>

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# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### V. Condensed Interim Statement of Cash Flows

		For the three month period ended	
	Note	31 March 2012	31 March 2011
<b>Cash flows from operating activities</b>			
Cash used in operations	23	(388.235)	(440.067)
<b>Net cash used in operating activities</b>		<b>(388.235)</b>	<b>(440.067)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment & intangible assets	10,11	(74.295)	(87.467)
Interest received		1.431	2.706
Participation in share capital increase of affiliated companies		-	(30)
<b>Net cash used in investing activities</b>		<b>(72.864)</b>	<b>(84.791)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(6.363)	(10.108)
Repayments of borrowings		(66.275)	(192.012)
Proceeds from borrowings		100.000	588.490
<b>Net cash generated from financing activities</b>		<b>27.362</b>	<b>386.370</b>
<b>Net decrease in cash &amp; cash equivalents</b>		<b>(433.737)</b>	<b>(138.488)</b>
<b>Cash &amp; cash equivalents at beginning of the period</b>	15	<b>563.282</b>	<b>220.000</b>
Exchange gains on cash & cash equivalents		(1.908)	943
<b>Net decrease in cash &amp; cash equivalents</b>		<b>(433.737)</b>	<b>(138.488)</b>
<b>Cash &amp; cash equivalents at end of the period</b>	15	<b>127.637</b>	<b>82.455</b>

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**HELLENIC PETROLEUM S.A.**  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012  
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## **VI. Notes to the Condensed Interim Financial Information**

### **1. GENERAL INFORMATION**

Hellenic Petroleum S.A. 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 AND ACCOUNTING POLICIES**

#### **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*'.

This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011, 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 interim financial information of the Company for the three month period ended 31 March 2012 was authorised for issue by the Board of Directors on 29 May 2012.

#### **Going concern**

The condensed interim financial statements as of 31 March 2012 are prepared in accordance with IFRS and present the financial position, results of operations and cash flows of the Group on a going concern basis. As a result of the continued economic crisis, there is still significant economic uncertainty in the international financial markets and more specifically with regards to the Greek economy and the current political instability resulting from the result of the 6<sup>th</sup> of May country elections which did not yield a stable government and thus causing new elections set for the 17<sup>th</sup> of June.

Taking into account the above and after careful consideration, for reasons explained below, the Company considers that; (a) the going concern basis of preparation of the accounts is not affected, (b) all assets and liabilities of the Company are appropriately presented in accordance with the Company's accounting policies and (c) contingency plans are in place to avoid material disruptions in the operations of the Company.

The Company's business is naturally hedged against the risk of having a different functional currency, as all of the petroleum industry transactions are referenced to international benchmark quotes for crude oil and oil products in USD. Each company depending on the local market practices uses USD prices for its transactions or translates the reference prices into local currency for accounting and settlement reasons.

The impact on the Greek market from the de-leveraging process is expected to be seen over the forthcoming months and will affect not only the Company directly but also its trading partners in the local market. As a result, appropriate steps are being taken to ensure uninterrupted operations for the Company and its ability to meet its obligations and commitments.

Furthermore, during 2011, the Company achieved the refinancing of all of its debt maturing in 2011 through syndicated transactions involving both Greek as well as international banks. Another positive development is that the Company is very near completion and start-up of the Elefsina upgraded refinery which reduces the need for additional funding requirements and is expected to significantly increase operational cash flows.

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

The accounting policies used in the preparation of the condensed interim financial information for the three month period ended 31 March 2012 are consistent with those applied for the preparation of the published financial statements of the company for the year ended 31 December 2011, except as described below. Where necessary, comparative figures have been reclassified to conform to the changes in the presentation of the current year. Taxes



# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended 31 December 2011, with the exception of changes in estimates that are required in determining the provision for income taxes.

*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 reporting period and subsequent reporting periods. The Company's evaluation of the effect of new standards, amendments to standards and interpretations that are relevant to its operations is set out below.

a) The following standards, amendments to standards and interpretations to existing standards are applicable to the Company for periods on or after 1 January 2011:

- *IAS 1 (Amendment) 'Presentation of Financial Statements' (effective for annual periods beginning on or after 1 July 2012).* The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. The Company is currently evaluating the impact this amendment will have on its financial statements. This amendment has not yet been endorsed by the EU.
- *IAS 19 (Amendment) 'Employee Benefits' (effective for annual periods beginning on or after 1 January 2013).* This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. The Company is currently evaluating the impact the amendment will have on its financial statements. This amendment has not yet been endorsed by the EU.
- *IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014).* This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment has not yet been endorsed by the EU.
- *IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011).* This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. The Company has applied the amendment since 1 January 2012.
- *IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2013).* The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The Company is currently evaluating the impact the amendment will have on its financial statements. This amendment has not yet been endorsed by the EU.
- *IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 1 January 2015).* IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. 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.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

- *IFRS 13 'Fair value measurement' (effective for annual periods beginning on or after 1 January 2013).* IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. The Company is currently evaluating the impact the amendments will have on its financial statements. This standard has not yet been endorsed by the EU.
- *Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2013):*

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standards on its financial statements. The main provisions are as follows:

- *IFRS 10 “Consolidated Financial Statements”.* IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/principal relationships.
- *IFRS 11 “Joint Arrangements”.* IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.
- *IFRS 12 “Disclosure of Interests in Other Entities”.* IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.
- *IAS 27 (Amendment) “Separate Financial Statements”.* This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “Consolidated and Separate Financial Statements”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 “Investments in Associates” and IAS 31 “Interests in Joint Ventures” regarding separate financial statements.
- *IAS 28 (Amendment) “Investments in Associates and Joint Ventures”.* IAS 28 “Investments in Associates and Joint Ventures” replaces IAS 28 “Investments in Associates”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

b) The following amendments to standards and interpretations to existing standards are mandatory for the Company's accounting periods beginning on or after 1 January 2012 or later periods but are not applicable to the Company:

- IAS 12 (Amendment) 'Income Taxes' with regard to Investment Property using the fair value model (effective for annual periods beginning on or after 1 January 2012). This amendment has not yet been endorsed by the EU.
- IFRIC 20 'Stripping Costs in the Production Phase of a Surface Mine' (effective for annual periods beginning on or after 1 January 2013), applicable only to costs incurred in surface mining activity. This interpretation has not yet been endorsed by the EU.

### 3. ANALYSIS BY SEGMENT

The executive committee reviews the Company's internal reporting in order to assess performance and 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.

The Company is organised into three main business segments determined in accordance with the type of business activity:

- Supply, refining and trading of petroleum products (Refining)
- Petrochemicals
- Exploration & production (E&P)

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

		Petro-chemicals	Exploration & Production	Other	Total
<b>For the three month period ended 31 March 2012</b>	<b>Refining</b>				
Sales	2.529.065	84.200	-	-	2.613.265
Other operating income / (expense) - net (Note 5)	(2.469)	507	(82)	-	(2.044)
<b>Operating profit / (loss)</b>	<b>71.846</b>	<b>1.684</b>	<b>(890)</b>	<b>(160)</b>	<b>72.480</b>
Currency exchange gains / (losses)	16.684	-	-	-	16.684
<b>Profit before tax &amp; finance costs</b>	<b>88.530</b>	<b>1.684</b>	<b>(890)</b>	<b>(160)</b>	<b>89.164</b>
Finance income/(expense) - net					(3.652)
<b>Profit before income tax</b>					<b>85.512</b>
Income tax expense					(19.270)
<b>Profit for the period</b>					<b>66.242</b>

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

For the three month period ended 31 March 2011	Refining	Petro-chemicals	Exploration & Production	Other	Total
Sales	2.142.654	91.145	-	-	2.233.799
Other operating income / (expense) - net (Note 5)	1.397	508	-	-	1.905
<b>Operating profit / (loss)</b>	<b>115.418</b>	<b>12.195</b>	<b>(1.773)</b>	<b>(159)</b>	<b>125.681</b>
Currency exchange gains / (losses)	23.062	-	-	-	23.062
<b>Profit before tax &amp; finance costs</b>	<b>138.480</b>	<b>12.195</b>	<b>(1.773)</b>	<b>(159)</b>	<b>148.743</b>
Finance income/(expense) - net					(8.234)
<b>Profit before income tax</b>					<b>140.509</b>
Income tax expense					(39.192)
<b>Profit for the period</b>					<b>101.317</b>

Further segmental information as at 31 March 2012 is as follows:

	Refining	Petro-chemicals	Exploration & Production	Other	Total
Total Assets	5.227.427	156.322	9.956	-	5.393.705
Total liabilities	3.239.130	122.960	-	39.445	3.401.535
Net Assets	1.988.297	33.362	9.956	(39.445)	1.992.170
Capital Expenditure (for three month period then ended)	74.148	147	-	-	74.295
Depreciation & Amortisation (for three month period then ended)	19.303	3.058	57	-	22.418

Further segmental information as at 31 December 2011 is as follows:

	Refining	Petro-chemicals	Exploration & Production	Other	Total
Total Assets	5.383.519	187.898	9.980	-	5.581.397
Total liabilities	3.490.609	155.908	1	18.054	3.664.572
Net Assets	1.892.910	31.990	9.979	(18.054)	1.916.825
Capital Expenditure (full year)	649.494	489	-	-	649.983
Depreciation & Amortisation (full year)	68.742	12.182	345	-	81.269

#### 4. SELLING, DISTRIBUTION AND ADMINISTRATIVE EXPENSES

	For the three month period ended 31 March 2012	31 March 2011
Selling and distribution expenses	15.942	21.736
Administrative expenses	16.198	19.118
	<b>32.140</b>	<b>40.854</b>

#### 5. OTHER OPERATING (EXPENSES) / INCOME – NET

Other operating (expenses) / income – net include amongst other, items of income or expenses which do not relate to the trading activities of the Company. Also included in Other Operating (Expenses) / Income are (losses)/gains from derivative positions as further explained in note 20.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 6. FINANCE COSTS - NET

	For the three month period ended	
	31 March 2012	31 March 2011
Interest income	1.431	2.706
Interest expense and similar charges	(564)	(9.473)
Accrued interest income/(expense)	(4.519)	(1.467)
<b>Finance (expenses)/income -net</b>	<b>(3.652)</b>	<b>(8.234)</b>

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

Foreign currency exchange gains of €16.7 million for the 1<sup>st</sup> quarter 2012 are driven by marked-to-market gains on US\$ denominated loans, due to the strengthening of the Euro against the US\$ as of 31 March 2012, compared to the beginning of the year.

### 8. INCOME TAXES

The basic tax rate used for Hellenic Petroleum S.A. was 20% for the period ending 31 March 2012 (31 March 2011: 20%). No provision for special contribution has been included in the results for the three month period to 31 March 2012, as a relevant tax law has not yet been enacted.

### 9. EARNINGS PER SHARE

Diluted earnings per ordinary share 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 three month period ended	
	31 March 2012	31 March 2011
<b>Earnings per share attributable to the Company</b>		
<b>Shareholders (expressed in Euro per share):</b>	<b>0,22</b>	<b>0,33</b>
Net income attributable to ordinary shares (Euro in thousands)	66.242	101.317
Average number of ordinary shares outstanding	305.635.185	305.635.185

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (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 2011</b>	<b>109.904</b>	<b>188.899</b>	<b>1.410.466</b>	<b>10.525</b>	<b>66.799</b>	<b>1.306.981</b>	<b>3.093.574</b>
Additions	-	28	29	18	152	87.235	87.462
Capitalised projects	-	842	5.044	-	1.269	(7.155)	-
Disposals	-	-	(183)	-	(2)	-	(185)
Transfers & other movements	-	-	-	-	-	(5.472)	(5.472)
<b>As at 31 March 2011</b>	<b>109.904</b>	<b>189.769</b>	<b>1.415.356</b>	<b>10.543</b>	<b>68.218</b>	<b>1.381.589</b>	<b>3.175.379</b>
<b>Accumulated Depreciation</b>							
<b>As at 1 January 2011</b>	-	<b>108.545</b>	<b>1.028.570</b>	<b>8.767</b>	<b>46.126</b>	-	<b>1.192.008</b>
Charge for the year	-	1.974	14.338	84	1.743	-	18.139
Disposals	-	-	-	-	(2)	-	(2)
<b>As at 31 March 2011</b>	-	<b>110.519</b>	<b>1.042.908</b>	<b>8.851</b>	<b>47.867</b>	-	<b>1.210.145</b>
<b>Net Book Value at 31 March 2011</b>	<b>109.904</b>	<b>79.250</b>	<b>372.448</b>	<b>1.692</b>	<b>20.351</b>	<b>1.381.589</b>	<b>1.965.234</b>
<b>Cost</b>							
<b>As at 1 April 2011</b>	<b>109.904</b>	<b>189.769</b>	<b>1.415.356</b>	<b>10.543</b>	<b>68.218</b>	<b>1.381.589</b>	<b>3.175.379</b>
Additions	100	132	323	70	3.669	557.141	561.435
Capitalised projects	-	32.631	277.333	68	2.764	(312.796)	-
Disposals	-	-	(291)	-	(23)	(139)	(453)
Assets from merged company	5.392	-	22	-	-	-	5.414
Transfers & other movements	-	-	-	-	-	(251)	(251)
<b>As at 31 December 2011</b>	<b>115.396</b>	<b>222.532</b>	<b>1.692.743</b>	<b>10.681</b>	<b>74.628</b>	<b>1.625.544</b>	<b>3.741.524</b>
<b>Accumulated Depreciation</b>							
<b>As at 1 April 2011</b>	-	<b>110.519</b>	<b>1.042.908</b>	<b>8.851</b>	<b>47.867</b>	-	<b>1.210.145</b>
Charge for the year	-	6.404	47.648	258	5.452	-	59.762
Disposals	-	-	(288)	-	(16)	-	(304)
<b>As at 31 December 2011</b>	-	<b>116.923</b>	<b>1.090.268</b>	<b>9.109</b>	<b>53.303</b>	-	<b>1.269.603</b>
<b>Net Book Value at 31 December 2011</b>	<b>115.396</b>	<b>105.609</b>	<b>602.475</b>	<b>1.572</b>	<b>21.325</b>	<b>1.625.544</b>	<b>2.471.921</b>
<b>Cost</b>							
<b>As at 1 January 2012</b>	<b>115.396</b>	<b>222.532</b>	<b>1.692.743</b>	<b>10.681</b>	<b>74.628</b>	<b>1.625.544</b>	<b>3.741.524</b>
Additions	-	12	159	2	230	73.881	74.284
Capitalised projects	-	1.938	20.474	464	75	(22.951)	-
Disposals	-	-	-	(76)	(11)	-	(87)
Transfers and other movements	-	169	(169)	-	-	(117)	(117)
<b>As at 31 March 2012</b>	<b>115.396</b>	<b>224.651</b>	<b>1.713.207</b>	<b>11.071</b>	<b>74.922</b>	<b>1.676.357</b>	<b>3.815.604</b>
<b>Accumulated Depreciation</b>							
<b>As at 1 January 2012</b>	-	<b>116.923</b>	<b>1.090.268</b>	<b>9.109</b>	<b>53.303</b>	-	<b>1.269.603</b>
Charge for the period	-	2.304	17.464	90	1.817	-	21.675
Transfers and other movements	-	9	(9)	-	-	-	0
Disposals	-	-	-	(76)	(11)	-	(87)
<b>As at 31 March 2012</b>	-	<b>119.236</b>	<b>1.107.723</b>	<b>9.123</b>	<b>55.109</b>	-	<b>1.291.191</b>
<b>Net Book Value at 31 March 2012</b>	<b>115.396</b>	<b>105.415</b>	<b>605.484</b>	<b>1.948</b>	<b>19.813</b>	<b>1.676.357</b>	<b>2.524.413</b>

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 *(All amounts in Euro thousands unless otherwise stated)*

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During the reporting period an amount of €21million in respect of interest has been capitalized in relation to Assets under construction, at an average borrowing rate of 4,9%.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 11. INTANGIBLE ASSETS

	Computer software	Licences & Rights	Total
<b>Cost</b>			
<b>As at 1 January 2011</b>	<b>59.452</b>	<b>23.909</b>	<b>83.361</b>
Additions	5	-	5
Transfers, acquisitions & other movements	5.016	-	5.016
<b>As at 31 March 2011</b>	<b>64.473</b>	<b>23.909</b>	<b>88.382</b>
<b>Accumulated Amortisation</b>			
<b>As at 1 January 2011</b>	<b>56.767</b>	<b>16.623</b>	<b>73.390</b>
Charge for the year	462	292	754
<b>As at 31 March 2011</b>	<b>57.229</b>	<b>16.915</b>	<b>74.144</b>
<b>Net Book Value at 31 March 2011</b>	<b>7.244</b>	<b>6.994</b>	<b>14.238</b>
<b>Cost</b>			
<b>As at 1 April 2011</b>	<b>64.473</b>	<b>23.909</b>	<b>88.382</b>
Additions	1.081	-	1.081
Transfers & other movements	706	-	706
<b>As at 31 December 2011</b>	<b>66.260</b>	<b>23.909</b>	<b>90.169</b>
<b>Accumulated Amortisation</b>			
<b>As at 1 April 2011</b>	<b>57.229</b>	<b>16.915</b>	<b>74.144</b>
Charge for the year	1.620	993	2.613
<b>As at 31 December 2011</b>	<b>58.849</b>	<b>17.908</b>	<b>76.757</b>
<b>Net Book Value at 31 December 2011</b>	<b>7.411</b>	<b>6.001</b>	<b>13.412</b>
<b>Cost</b>			
<b>As at 1 January 2012</b>	<b>66.260</b>	<b>23.909</b>	<b>90.169</b>
Additions	11	-	11
Transfers & other movements	117	-	117
<b>As at 31 March 2012</b>	<b>66.388</b>	<b>23.909</b>	<b>90.297</b>
<b>Accumulated Amortisation</b>			
<b>As at 1 January 2012</b>	<b>58.849</b>	<b>17.908</b>	<b>76.757</b>
Charge for the period	442	301	743
<b>As at 31 March 2012</b>	<b>59.291</b>	<b>18.209</b>	<b>77.500</b>
<b>Net Book Value at 31 March 2012</b>	<b>7.097</b>	<b>5.700</b>	<b>12.797</b>



# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 12. LOANS, ADVANCES AND OTHER RECEIVABLES

	As at	
	31 March 2012	31 December 2011
Loans and advances and other long term assets	4.568	3.843
<b>Total</b>	<b>4.568</b>	<b>3.843</b>

### 13. INVENTORIES

	As at	
	31 March 2012	31 December 2011
Crude oil	383.429	311.774
Refined products and semi-finished products	658.260	581.079
Petrochemicals	31.749	34.982
Consumable materials and other	68.268	67.058
<b>Total</b>	<b>1.141.706</b>	<b>994.893</b>

### 14. TRADE AND OTHER RECEIVABLES

	As at	
	31 March 2012	31 December 2011
Trade receivables	591.629	573.805
Other receivables	298.154	288.858
Derivatives held for trading (Note 20)	21.064	-
Deferred charges and prepayments	6.292	5.938
<b>Total</b>	<b>917.139</b>	<b>868.601</b>

### 15. CASH AND CASH EQUIVALENTS

	As at	
	31 March 2012	31 December 2011
Cash at Bank and in Hand	87.637	82.592
Short term bank deposits	40.000	480.690
<b>Total</b>	<b>127.637</b>	<b>563.282</b>

Cash equivalents comprise of short-term deposits (relating to periods of less than three months). Such deposits depend on the immediate cash requirements of the Company.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 16. SHARE CAPITAL

	Number of Shares (authorised and issued)	Share Capital	Share premium	Total
As at 1 January 2011 & 31 December 2011	305.635.185	666.285	353.796	1.020.081
As at 31 March 2012	305.635.185	666.285	353.796	1.020.081

All ordinary shares were authorised, issued and fully paid. The nominal value of each ordinary share is €2,18 (31 December 2011: €2,18).

#### *Share options*

During the AGM of Hellenic Petroleum S.A. held on 25 May 2005, a new share option scheme was approved, based on years 2005 – 2007, with the intention to link the number of share options granted to employees with the results and performance of the Company and its management. The AGM of Hellenic Petroleum S.A. of 31 May 2006 has approved and granted stock options for the year 2005 of 272.100 shares. The AGM of 17 May 2007 has approved and granted stock options for the year 2006 of 408.015 shares. The AGM of 14 May 2008 has approved and granted stock options for the year 2007 of 385.236 shares and extended the scheme for an additional base year, namely 2008. The AGM of 3 June 2009 has approved and granted stock options for the year 2008 of 1.704.716 shares and extended the scheme for 2009. The vesting period is 1 November to 5 December of the years 2008 – 2012, 2009 – 2013, 2010 – 2014 and 2011 – 2015 for each of the base years 2005, 2006, 2007 and 2008 respectively.

Following the Board Decision of 27 April 2010, the AGM of Hellenic Petroleum held on 2 June 2010 approved the non – granting of any stock options for the year 2009, as a result of the adverse macroeconomic environment and extended the scheme for an additional base year, namely 2010, for which the vesting period will commence in 2012. Similarly the AGM of Hellenic Petroleum held on 29 June 2011 validated the Board Decision of 7 June 2011 and approved the non – granting of any stock options for the year 2010 and extended the scheme for an additional base year, namely 2011, for which the vesting period will commence in 2012. The total number of stock options approved during the original AGM of 25 May 2005 has not been altered by the subsequent extensions to the scheme.

Since the vesting period is 1 November to 5 December of each respective year, no stock options were exercised during the three month period ended 31 March 2012, or the comparative period of the previous year. Moreover, no stock options have been exercised to date, due to the negative relationship between the exercise price and the share market price during the respective vesting periods. Stock based compensation expense was immaterial for the three month periods ended 31 March 2012 and 2011.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 17. RESERVES

	Statutory reserve	Special reserves	Hedging reserve	Share-based payment reserve	Tax-free reserves	Total
<b>Balance at 1 January 2011</b>	<b>108.970</b>	<b>86.495</b>	<b>(54.242)</b>	<b>2.518</b>	<b>351.322</b>	<b>495.063</b>
Cash flow hedges (Note 20)						
- Fair value gains / (losses) on cash flow hedges	-	-	(88.355)	-	-	(88.355)
<b>Balance at 31 March 2011</b>	<b>108.970</b>	<b>86.495</b>	<b>(142.597)</b>	<b>2.518</b>	<b>351.322</b>	<b>406.708</b>
Cash flow hedges (Note 20)						
- Fair value gains / (losses) on cash flow hedges	-	-	68.671	-	-	68.671
- De-recognition of 2012 hedges	-	-	6.776	-	-	6.776
Share-based payments	-	-	-	1.119	-	1.119
Transfer to statutory reserves	4.822	-	-	-	-	4.822
<b>Balance at 31 December 2011 and 1 January 2012</b>	<b>113.792</b>	<b>86.495</b>	<b>(67.150)</b>	<b>3.637</b>	<b>351.322</b>	<b>488.096</b>
Cash flow hedges (Note 20)						
- Fair value gains / (losses) on cash flow hedges	-	-	31.001	-	-	31.001
- De-recognition of 2012 hedges	-	-	(21.898)	-	-	(21.898)
<b>Balance at 31 March 2012</b>	<b>113.792</b>	<b>86.495</b>	<b>(58.047)</b>	<b>3.637</b>	<b>351.322</b>	<b>497.199</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 outstanding share capital. This reserve cannot be distributed during the existence of the corporation, but can be used to offset accumulated losses.

#### Special reserves

Special reserves primarily relate to reserves arising from tax revaluations of assets which have been included in the holding company accounts in accordance with the relevant legislation in prior years.

#### Tax-free reserves

Tax-free reserves include:

- (i) Tax deferred reserves are 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. Distributions to shareholders and conversions to share capital are not normally anticipated to be made through these reserves.
- (ii) Partially taxed reserves are 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.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 18. BORROWINGS

	As at	
	31 March 2012	31 December 2011
<b>Non-current borrowings</b>		
Bank borrowings	433.000	837.603
<b>Non-current borrowings</b>	<b>433.000</b>	<b>837.603</b>
<b>Current borrowings</b>		
Short term loans	1.485.204	1.065.276
<b>Total current borrowings</b>	<b>1.485.204</b>	<b>1.065.276</b>
<b>Total borrowings</b>	<b>1.918.204</b>	<b>1.902.879</b>

In April 2006, the Company concluded a €400 million multi-currency loan agreement with Hellenic Petroleum Finance Plc ("HPF"), a subsidiary of the Group in order to refinance existing financial indebtedness and for general corporate purposes. The loan facility amount was increased to €600 million on 18 October 2006 and to €1 billion on 18 October 2007. In April 2010 the loan facility amount was increased €1.5 billion. As at 31 March 2012, the outstanding loan balance with HPF amounted to the equivalent of €851 million (US\$ 755 million and €286million).

On 26 May 2010, the Company signed two loan agreements with the European Investment Bank for a total amount of €400 million (€200 million each). The loans have a maturity of 12 years. The purpose of the loans is to finance part of the investment programme relating to the upgrade of Elefsina Refinery. As at 31 March 2012, the outstanding loan balance amounted to €400 million (31 December 2011: €400 million).

On 30 November 2011 Hellenic Petroleum S.A. signed a long-term loan agreement with its subsidiary Diaxon S.A. for a total amount of €33 million. The interest rate has been agreed at 5,5%.

Loans with various banks are also utilised to cover the Company's financing needs. As at 31 March 2012, the outstanding balance of such loans amounted to €634 million (31 December 2011: €585 million).

### 19. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Deferred tax relates to the following types of deductible (taxable) temporary differences:

	For the three month period ended	
	31 March 2012	31 December 2011
Intangible and fixed assets	(49.850)	(44.499)
Provision for spare parts	1.855	1.855
Environmental provision	3.220	3.220
Unrealised exchange gains	(3.141)	(0)
Staff related provisions	17.502	17.277
Derivative financial instruments at fair value	9.916	19.310
Provisions for doubtful receivables	8.667	9.587
Other provisions	2.439	2.189
Open tax years	(9.447)	(9.447)
<b>Deferred income tax asset (liability)</b>	<b>(18.839)</b>	<b>(509)</b>

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 20. FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2012		31 December 2011	
	Assets	Liabilities	Assets	Liabilities
<b>Derivatives held for trading</b>				
<b>Commodity derivatives:</b>				
Commodity swaps	21.064	7.204	-	12.577
	<b>21.064</b>	<b>7.204</b>	-	<b>12.577</b>
<b>Total held for trading</b>	<b>21.064</b>	<b>7.204</b>	-	<b>12.577</b>
<b>Derivatives designated as cash flow hedges</b>				
Commodity swaps	-	72.556	-	83.936
<b>Total cash flow hedges</b>	-	<b>72.556</b>	-	<b>83.936</b>
<b>Total</b>	<b>21.064</b>	<b>79.760</b>	-	<b>96.513</b>
<b>Non-current portion</b>				
Commodity swaps	-	36.733	-	50.158
	-	<b>36.733</b>	-	<b>50.158</b>
<b>Current portion</b>				
Commodity swaps (Note 14,22)	21.064	43.027	-	46.355
	<b>21.064</b>	<b>43.027</b>	-	<b>46.355</b>
<b>Total</b>	<b>21.064</b>	<b>79.760</b>	-	<b>96.513</b>

#### Derivatives held for trading

In the context of managing risk resulting from the volatility in the inventory values of products and crude oil, the Company enters into derivative contracts. To the extent that these contracts are not designated as hedges, they are categorized as derivatives held-for-trading. The fair value of derivatives held-for-trading is recognized on the statement of financial position in "Trade and other debtors" and "Trade and other payables" if the maturity is less than 12 months and in "Loans, advances and other receivables" and "Other long term liabilities" if the maturity is more than 12 months. Changes in the fair value of these derivatives are charged to the Statement of comprehensive income either within Other (expenses)/income or Cost of sales. The instruments used for this risk management include commodity exchange traded contracts (ICE futures), full refinery margin forwards, product price forward contracts or options.

As part of managing operating and price risk, the Company engages in derivative transactions with 3<sup>rd</sup> parties with the intention of matching physical positions and trades or close proxies thereof and are therefore considered an integral part of "Cost of Sales". For the three months ended 31 March 2012 the amounts attributable to such derivatives were €21.064 gain (31 March 2011: €7.410 loss) included in "Cost of Sales".

In certain cases it may not be possible to achieve a fully matched position, in which case the impact cannot be considered as a "Cost of Sales" component. The result from such derivative positions for the three month period ended 31 March 2012 was €13.612 loss (2011: €2.037 loss) and is shown under "Other operating (expenses) / income – net". "Other operating (expenses) / income – net" also includes a gain of €3.117 for de-designation of 2012 cash flow hedges related to the Elefsina Refinery Upgrade as explained below.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### Derivatives designated as cash flow hedges

The Company uses derivative financial instruments to manage certain exposures to fluctuations in commodity prices. In this framework, the Company has entered into a number of commodity price swaps which have been designated by the Company as cash flow hedges, have been evaluated and proven to be highly effective, and in this respect, any changes in their fair value are recorded within Equity. The fair value of the Commodity swaps at the end of the reporting period was recognised in “Long term derivatives”, while changes in their fair value are recorded in reserves as long as the forecasted purchase of inventory is highly probable and the cash flow hedge is effective as defined in IAS 39.

When certain of the forecasted transactions cease to be highly probable, they are de-designated from cash flow hedges at which time amounts charged to reserves are transferred to the statement of comprehensive income within “other income/(expense)”. As at 31 March 2012 amounts transferred to the statement of comprehensive income for de-designated hedges amounted to €21.898 loss net of tax which relate to 2012 valuation of projected transactions for the Elefsina refinery upgrade (31 March 2011: €0). The remaining cash flow hedges are highly effective and the movement in the fair value of these derivatives, amounting to a gain of €31.001 net of tax (2011: €88.355 loss, net of tax), was transferred to the “Hedging Reserve”.

The movements in other comprehensive income for the three month period ended 31 March 2012 and its comparative period are presented in the following table:

	For the three month period ended	
	31 March 2012	31 March 2011
Derecognition of hedges	(21.898)	-
Fair value gains/(losses) on cash flow hedges	31.001	(88.355)
Gains/(Losses) arising during the year, net of tax	<b>9.103</b>	<b>(88.355)</b>

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the statement of financial position.

### 21. PROVISIONS AND OTHER LONG TERM LIABILITIES

	As at	
	31 March 2012	31 December 2011
Government grants	16.925	17.607
Litigation provisions	5.000	5.000
Provisions for environmental costs	16.100	16.100
Other provisions	510	506
<b>Total</b>	<b>38.535</b>	<b>39.213</b>

#### *Government grants*

Advances by the Government relate to property plant and equipment.

#### *Environmental costs*

The respective provision relates to the estimated cost of the CO2 emission rights required under the corresponding environmental legislation. No material provision for environmental restitution is included in the accounts as the Company has a policy of addressing identified environmental issues on an ongoing basis.

#### *Other provisions*

Amounts included in other provisions and long term liabilities relate to sundry operating items and risks arising from the Company's ordinary activities.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

### 22. TRADE AND OTHER PAYABLES

	As at	
	31 March 2012	31 December 2011
Trade payables	1.191.576	1.428.020
Accrued Expenses & Deferred Income	34.424	50.400
Derivatives (Note 20)	43.027	46.355
Other payables	14.582	43.466
<b>Total</b>	<b>1.283.609</b>	<b>1.568.241</b>

### 23. CASH GENERATED FROM OPERATIONS

		For the three month period ended	
	Note	31 March 2012	31 March 2011
<b>Profit before tax</b>		<b>85.512</b>	<b>140.509</b>
Adjustments for:			
Depreciation and amortisation of tangible and intangible assets	10,11	22.418	18.893
Amortisation of grants		(682)	(747)
Financial expenses / (income) - net	6	3.652	8.234
Provisions for expenses and valuation changes		(15.838)	8.071
Foreign exchange (gains) / losses	7	(16.684)	(23.062)
(Gain)/Loss from Sale of Non Current Assets		-	183
		<b>78.378</b>	<b>152.081</b>
<b>Changes in working capital</b>			
Decrease / (Increase) in inventories		(146.813)	(268.692)
Decrease / (Increase) in trade and other receivables		(26.429)	(172.871)
(Decrease) / Increase in trade and other payables		(293.371)	(150.585)
		<b>(466.613)</b>	<b>(592.148)</b>
<b>Net cash used in operating activities</b>		<b>(388.235)</b>	<b>(440.067)</b>

### 24. RELATED PARTY TRANSACTIONS

Included in the 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.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

i) Sales of goods and services	For the three month period ended	
	31 March 2012	31 March 2011
<b>Sales of goods</b>		
Group Entities	1.052.117	961.343
Other related parties	94.072	61.355
<b>Sales of services</b>		
Group Entities	1.437	2.675
	<b>1.147.626</b>	<b>1.025.373</b>

### ii) Purchases of goods and services

<b>Purchases of goods</b>		
Other related parties	42.836	9.873
<b>Purchases of services</b>		
Group Entities	12.345	13.494
	<b>55.181</b>	<b>23.367</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.

iii) Balances arising from sales / purchases of goods / services	As at	
	31 March 2012	31 December 2011
<b>Receivables from related parties</b>		
<u>Group Entities</u>		
- Receivables	334.763	274.322
<u>Other related parties</u>		
- Receivables	97.671	41.941
	<b>432.434</b>	<b>316.263</b>
<b>Payables to related parties</b>		
<u>Group Entities</u>		
- Payables	36.537	38.463
<u>Other related parties</u>		
- Payables	31.621	10.568
	<b>68.158</b>	<b>49.031</b>
<b>Net balances from related parties</b>	<b>364.276</b>	<b>267.232</b>

	For the three month period ended	
	31 March 2012	31 March 2011
Charges for directors remuneration	239	227



## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

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All transactions with related parties are effected under normal trading and commercial terms.

Group Entities include all companies consolidated under the full method of consolidation.

Other related parties include non affiliated or Governmental organisations such as the Hellenic Armed Forces and the Public Power Corporation (Hellas). They are considered related parties due to the shareholding in the Company by the Hellenic State. Also included are Group companies consolidated with the equity method of consolidation.

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

- a) Hellenic Petroleum Group companies.
  - b) 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
  - c) Financial institutions which are under common control with the Company due to the shareholding and control rights of the Hellenic State. The Company as at 31 March 2012 had outstanding loans amounting to €200 million (31 December 2011: €150 million) due to the following related financial institutions:
    - National Bank of Greece S.A.
    - Agricultural Bank of Greece S.A.
  - d) Joint ventures with other third parties relating to the exploration and production of hydrocarbons in Greece and abroad:
    - STPC Sea of Thrace (Greece, sea of Thrace)
    - Melrose – Kuwait Energy – Beach Petroleum (Egypt, Mesaha)
    - VEGAS Oil & Gas (Egypt, West Obayed)
    - Medusa (Montenegro)
    - Edison (Montenegro, Ulcinj)
  - e) Associates of the Company:
    - Athens Airport Fuel Pipeline Company S.A. (EAKAA)
    - Public Gas Corporation of Greece S.A. (DEPA)
    - Artenius S.A.
    - Elpedison B.V.
    - Spata Aviation Fuel Company S.A. (SAFCO)
    - HELPE Thraki
    - Biodiesel
    - D.M.E.P. / OTSM
  - f) Financial institutions in which substantial interest is owned by parties which hold significant participation in the share capital of the Company. The Company as at 31 March 2012 had outstanding loans amounting to the equivalent of €290 million (31 December 2011: equivalent of €440 million) with the following related financial institutions:
    - EFG Eurobank Ergasias S.A.
  - g) Enterprises in which substantial interest is owned by parties which hold significant participation in the share capital of the Company.
    - Private Sea Marine Services (ex Lamda Shipyards)
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# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

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### 25. COMMITMENTS

Total capital commitments for the Company as of 31 March 2012 amount to €241 million (31 December 2011: €316 million), of which €153 million relate to the major upgrade project in Elefsina.

### 26. 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. Provisions are set up by the Company against such matters whenever deemed necessary and included in other provisions (Note 21). These are as follows:

- (i) 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 the provision reflected in the condensed interim financial statements.
- (ii) In June 2011 the tax audits for the financial years 2002 to 2005 of Hellenic Petroleum S.A. were finalized, the outcome of which resulted in disallowable expenses of €64 million. The Company has assessed the results of the tax audit and accepted disallowable expenses of €32 million, resulting in €17,6 million of additional taxes and surcharges, which were charged through the financial information for the year ended 31 December 2011. The remaining amount of disallowable expenses assessed, amounting to €32 million, includes, amongst other items the alleged inventory "shortages" (note v below), which were originally assessed by the customs authorities. The Company has appealed against this assessment on the ground that it believes that it has no merit or a valid basis of calculation. Moreover the aforementioned tax audit also resulted in additional property taxes of a total amount of €2,2 million, against which the Company has appealed to the relevant authorities. No provision has been made in the interim financial information as of 31 March 2012 with respect to the above, as the Company believes that both cases will be finally assessed in its favour.

The parent Company has not undergone a tax audit for the financial years 2006 to 2010. Provisional tax audits for the financial years 2006 and 2008 have been finalised, albeit with no major findings, while the tax audit for the financial years 2006 to 2009 is currently underway.

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 these interim financial statements.

- (iii) 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 31 March 2012 was the equivalent of €1.714 million (31 December 2011: €1.747 million). The Company has also issued letters of credit and guarantees to the favour of third parties, mainly for the procurement of crude oil, which as at 31 March 2012 amounted to the equivalent of €102 million equivalent (31 December 2011: €257 million).
- (iv) Following complaints by IATA, the Greek Competition Committee initiated an investigation into the pricing of aviation jet fuel in the Greek market. The conclusion of the investigation was to assert a fine of €9,4m to all Greek refineries, Hellenic Petroleum share accounts for €7,3m and it is based on a percentage of the relevant sales revenues in the year preceding the complaint. The company filed an appeal before the Athens Administrative Court of Appeals. In parallel a petition to suspend the decision was also filed and partially accepted; the Court suspended the corrective measures imposed by the Greek Competition Committee until 31 August 2007 (since then all necessary changes have been implemented), but did not suspend the payment of the fine, which has been paid. The appeal was heard on 25 September 2008. The decision rendered has partly accepted the company's appeal i.e. (a) has reduced the fine of €7,3 million by €1,5 million and (b) has revoked the corrective measures which were temporarily suspended as above. The company filed a further appeal before the Supreme Administrative Court (Conseil d'Etat), which was heard on 22 June 2011 and the decision is still pending. Management believes that the final outcome of this case will not affect the company's interim financial information, since the relevant fine has already been fully paid.
- (v) In 2008, the D' Customs Office ( Formerly Z' Customs Office) of Piraeus, issued deeds of assessment amounting at approximately €40 million for alleged custom stock shortages in the bonded warehouses of

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2012 (All amounts in Euro thousands unless otherwise stated)

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Aspropyrgos and Elefsina installations. In relation with the above, the company has filed within the deadlines required by the Law, contestations before the Administrative Court of First Instance of Piraeus, for which no dates of hearing have been assigned to date. In addition, independent auditors have confirmed that there are no stock shortages and the books are in complete agreement with official stock counts. The company deems that the above contestations will be sustained by the Court in light of the pertinent substantial reasons and serious procedural arguments.

### **27. DIVIDENDS**

A proposal to the AGM for an additional €0,30 per share as final dividend for 2010 (amounting to a total of €91.691) was approved by the Board of Directors on 24 February 2011 and the final approval was given by the shareholders at the AGM held on 29 June 2011.

A proposal to the AGM for €0,45 per share as final dividend was approved by the Board of Directors on 23 February 2012. This amounts to €137.536 and is not included in these accounts as it has not yet been approved by the shareholders' AGM.

### **28. OTHER SIGNIFICANT EVENTS**

The EGM held on January 31<sup>st</sup>, 2012 approved a Memorandum of Understanding with Hellenic Republic (Company's 35.5% controlling shareholder) agreeing to participate in a joint sales process for the Company's 35% shareholding in DEPA. As at 31 March 2012, DEPA Group's carrying value in the company's books is €237 million. The decision to sell the shares will be subject to a shareholders approval at a new EGM. Given that no final commitments for this disposal have been made, management considers that DEPA should continue to be presented under 'Investments in affiliated companies'.

### **29. SUBSEQUENT EVENTS**

On 5 April 2012, Hellenic Petroleum S.A. concluded a €400 million syndicated bond loan agreement with maturity 30 June 2013. The purpose of the loan was to finance general corporate purposes.