HELLENIC PETROLEUM S.A.

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTH PERIOD ENDED

30 JUNE 2012

CONTENTS

(All amounts in Euro thousands unless otherwise stated)

I. Company Information

Directors	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)
Other Board Members during the previous period:	Anastasios Giannitsis – Chairman of the Board (02/12/2009 –11/11/2011) Anastasios Banos – Non executive Member (28/12/2009 – 31/8/2011)
Registered Office:	8A Chimarras Str. 15125 Maroussi, Greece
Registration number:	2443/06/B/86/23
Auditors:	PricewaterhouseCoopers S.A. 268 Kifissias Ave. 152 32 Halandri Greece

Report on review of interim financial information

To the shareholders of Hellenic Petroleum S.A.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Hellenic Petroleum S.A. (the "Company") as at 30 June 2012 and the related condensed interim 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 condensed interim financial information, which form an integral part of the six-month financial report as required by article 5 of Law 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as 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 condensed interim 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 condensed interim financial information of Hellenic Petroleum S.A. for the six-month period ended 30 June 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Emphasis of Matter

We draw your attention to the disclosures in Note 3 of the accompanying condensed interim financial information for the six month period ended 30 June 2012 which describe the key elements of the Company's plan to refinance significant debt liabilities of the Company and its subsidiaries that are falling due within 12 months from the balance sheet date and the assessment of factors that may affect it. We have not qualified our conclusion in respect of this matter.

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Reference to Other Legal and Regulatory Requirements

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

Athens, 31 August 2011
The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
SOEL Reg. No. 113

Marios Psaltis
SOEL Reg.No. 38081

(All amounts in Euro thousands unless otherwise stated)

II. Condensed Interim Statement of Financial Position

		As at	
	Note	**30 June 2012**	**31 December 2011**
ASSETS			
Non-current assets			
Property, plant and equipment	**10**	2.632.459	2.471.921
Intangible assets	**11**	12.326	13.412
Investments in subsidiaries, associates and Joint Ventures		660.389	665.404
Available-for-sale financial assets		41	41
Loans, advances and other receivables	**12**	4.161	3.843
		3.309.376	**3.154.621**
Current assets			
Inventories	**13**	896.999	994.893
Trade and other receivables	**14**	805.252	868.601
Cash and cash equivalents	**15**	534.029	563.282
		2.236.280	**2.426.776**
Total assets		**5.545.656**	**5.581.397**
EQUITY			
Share capital	**16**	1.020.081	1.020.081
Reserves	**17**	501.857	488.096
Retained Earnings		316.417	408.648
Total equity		**1.838.355**	**1.916.825**
LIABILITIES			
Non- current liabilities			
Borrowings	**18**	433.000	837.603
Deferred income tax liabilities		13.986	509
Retirement benefit obligations		85.039	86.027
Long term derivatives	**19**	15.922	50.158
Provisions and other long term liabilities	**20**	19.688	39.213
		567.635	**1.013.510**
Current liabilities			
Trade and other payables	**21**	1.517.237	1.568.241
Current income tax liabilities		-	15.140
Borrowings	**18**	1.483.383	1.065.276
Dividends payable		139.046	2.405
		3.139.666	**2.651.062**
Total liabilities		**3.707.301**	**3.664.572**
Total equity and liabilities		**5.545.656**	**5.581.397**

The notes on pages 10 to 30 are an integral part of this condensed interim financial information.

Chief Executive Officer	Chief Financial Officer	Accounting Director
John Costopoulos	Andreas Shiamishis	Ioannis Letsios

(All amounts in Euro thousands unless otherwise stated)

III. Condensed Interim Statement of Comprehensive Income

	Note	For the six month period ended 30 June 2012	30 June 2011	For the three month period ended 30 June 2012	30 June 2011
Sales		**5.066.309**	**4.182.820**	**2.453.044**	**1.949.021**
Cost of sales		(4.930.452)	(3.926.285)	(2.424.074)	(1.857.830)
Gross profit		**135.857**	**256.535**	**28.970**	**91.191**
Selling, distribution and administrative expenses	**5a**	(62.498)	(80.386)	(30.358)	(39.532)
Exploration and development expenses		(1.323)	(1.817)	(1.100)	(1.103)
Other operating (expenses)/income - net	**5b**	(610)	4.358	1.434	2.453
Dividend income		15.818	14.019	15.818	14.019
Operating profit		**87.244**	**192.709**	**14.764**	**67.028**
Finance (expenses)/income -net	**6**	(5.385)	(10.940)	(1.733)	(2.706)
Currency exchange gains/(losses)	**7**	(23.636)	36.053	(40.320)	12.991
Profit/(loss) before income tax		**58.223**	**217.822**	**(27.289)**	**77.313**
Income tax credit/ (expense)	**8**	(12.918)	(50.566)	6.352	(11.374)
Profit/(loss) for the period		**45.305**	**167.256**	**(20.937)**	**65.939**
Other comprehensive income:					
Unrealised gains/(losses) on revaluation of hedges	**19**	13.761	(35.537)	4.658	52.818
Other Comprehensive income/(loss) for the period, net of tax		**13.761**	**(35.537)**	4.658	52.818
Total comprehensive income/ (loss) for the period		**59.066**	**131.719**	**(16.279)**	**118.757**
Basic and diluted earnings per share (expressed in Euro per share)	**9**	**0,15**	**0,55**	**(0,07)**	**0,22**

The notes on pages 10 to 30 are an integral part of this condensed interim financial information.

(All amounts in Euro thousands unless otherwise stated)

IV. Condensed Interim Statement of Changes in Equity

	Note	Share Capital	Reserves	Retained Earnings	Total Equity
Balance at 1 January 2011		**1.020.081**	**495.063**	**392.397**	**1.907.541**
Unrealised gains / (losses) on revaluation of hedges	**19**	-	(35.537)	-	(35.537)
Other comprehensive income		**-**	**(35.537)**	**-**	**(35.537)**
Profit/ (Loss) for the period		-	-	167.256	167.256
Total comprehensive income for the period		**-**	**(35.537)**	**167.256**	**131.719**
Dividends relating to 2010	**26**	-	-	(91.691)	(91.691)
Balance at 30 June 2011		**1.020.081**	**459.526**	**467.962**	**1.947.569**
Movement - 1 July 2011 to 31 December 2011					
Unrealised gains / (losses) on revaluation of hedges	**19**	-	22.629	-	22.629
Other comprehensive income		**-**	**22.629**	**-**	**22.629**
Profit/ (Loss) for the period		-	-	(54.492)	(54.492)
Total comprehensive income for the period		**-**	**22.629**	**(54.492)**	**(31.863)**
Share based payments	**17**	-	1.119	-	1.119
Transfers to statutory and tax reserves	**17**	-	4.822	(4.822)	-
Balance at 31 December 2011		**1.020.081**	**488.096**	**408.648**	**1.916.825**
Movement - 1 January 2012 to 30 June 2012					
Unrealised gains / (losses) on revaluation of hedges	**19**	-	13.761	-	13.761
Other comprehensive income		**-**	**13.761**	**-**	**13.761**
Profit for the period		-	-	45.305	45.305
Total comprehensive income for the period		**-**	**13.761**	**45.305**	**59.066**
Dividends relating to 2011	**26**	-	-	(137.536)	(137.536)
Balance at 30 June 2012		**1.020.081**	**501.857**	**316.417**	**1.838.355**

The notes on pages 10 to 30 are an integral part of this condensed interim financial information.

(All amounts in Euro thousands unless otherwise stated)

V. Condensed Interim Statement of Cash Flows

		For the six month period ended	
	Note	**30 June 2012**	**30 June 2011**
Cash flows from operating activities			
Cash generated from / (used in) operations	**22**	184.781	(145.533)
Income and other taxes paid		(500)	-
Net cash generated from/ (used in) operating activities		**184.281**	**(145.533)**
Cash flows from investing activities			
Purchase of property, plant and equipment & intangible assets	**10,11**	(208.276)	(230.212)
Proceeds from disposal of property, plant and equipment & intangible assets		643	-
Dividends received		-	7.157
Interest received	**6**	2.790	5.864
Participation in share capital increase/ (decrease) of affiliated companies		(1.500)	(30)
Net cash used in investing activities		**(206.343)**	**(217.221)**
Cash flows from financing activities			
Interest paid		(7.168)	(14.361)
Dividends paid		(895)	(33)
Repayments of borrowings		(379.325)	(447.729)
Proceeds from borrowings		377.908	892.679
Net cash generated from financing activities		**(9.480)**	**430.556**
Net increase/ (decrease) in cash & cash equivalents		**(31.542)**	**67.802**
Cash & cash equivalents at beginning of the period	**15**	**563.282**	**220.000**
Exchange gains on cash & cash equivalents		2.289	1.116
Net increase/ (decrease) in cash & cash equivalents		(31.542)	67.802
Cash & cash equivalents at end of the period	**15**	**534.029**	**288.918**

The notes on pages 10 to 30 are an integral part of this condensed interim financial information.

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 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 six month period ended 30 June 2012 was authorised for issue by the Board of Directors on 29 August 2012.

Going concern

The condensed interim financial information of the Company for the six month period ended 30 June 2012 presents the financial position, results of operations and cash flows of the Company on a going concern basis. In making their going concern assessment, management has considered the following matters.

Greek Macros: Over the first half of this year, the Company faced exceptional challenges and increased cost of doing business (higher cost of funding, increased supply costs) as a result of the economic crisis in Greece and the political instability. This was more apparent during the pre-election period in the second quarter. While the economic situation in Greece remains difficult, recent developments (e.g. successful completion of PSI, newly coalition government with a commitment to improve the competitiveness of the Greek economy) have impacted positively on perceived political risk.

Currency: In terms of currency, notwithstanding all of the above, the Company's business is naturally hedged against the risk of having a different functional currency. All petroleum industry transactions are referenced to international benchmark quotes for crude oil and oil products in USD. All international purchases and sales of crude oil and products are done in USD and all sales into local markets are either in USD prices or converted to local currency for accounting and settlement reasons using the USD reference on the date of the transaction.

Refinancing: As of 30 June 2012 the Condensed Interim Statement of Financial Position shows net current liabilities amounting to €0,9 billion. These include term bank borrowings of €0,6 billion, which mature over the next 12 months. The Company has put in place a plan to refinance these borrowings as well as other borrowings of its subsidiaries that mature around the same time with repayment of the maturing facilities partly out of operating cash flows and available cash reserves and partly through new loans. This plan is detailed in Note 3, "Financial risk management" to this condensed interim financial information and based on progress made to date, management expects to successfully complete the refinancing by the end of the year.

In conclusion, for the reasons explained above the Company considers that: (a) the going concern basis of preparation of the accounts is appropriate, (b) all assets and liabilities of the Company are appropriately presented in accordance with the Company's accounting policies and (c) plans are in place to avoid material disruptions in the operations of the Company should these arise as a result of the current uncertain environment.

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 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 period. Taxes 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 2012:

- *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.

- *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.

- *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" (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.

- *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.

- IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance". The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

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

- Amendments to standards that form part of the IASB's 2011 annual improvements project. The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the EU.

  – IAS 1 "Presentation of financial statements". The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

  – IAS 16 "Property, plant and equipment". The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

  – IAS 32 "Financial instruments: Presentation". The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

  – IAS 34, 'Interim financial reporting'. The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

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 (<u>effective for annual periods beginning on or after 1 January 2012</u>). This amendment has not yet been endorsed by the EU.

- IFRIC 20 'Stripping Costs in the Production Phase of a Surface Mine'(<u>effective for annual periods beginning on or after 1 January 2013</u>), applicable only to costs incurred in surface mining activity.This interpretation has not yet been endorsed by the EU.

- IFRS 1 (Amendment) 'Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters'(<u>effective for annual periods beginning on or after 1 July 2011</u>).

- IFRS 1 (Amendment) 'Government Loans' (<u>effective for annual periods beginning on or after 1 January 2013</u>). The amendment sets out how a first-time adopter would account for a government loan with a below-market rate of interest when they transition to IFRSs.

3. FINANCIAL RISK MANAGEMENT

The Company's activities are primarily centered around its Downstream Oil & Gas assets; secondary or new activities relate to Petrochemicals, exploration of hydrocarbons and power generation and trading. 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 fair value 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 consolidated financial statements for the year ended 31/12/2011. Given market developments during 2011 and 2012, liquidity risk and cash flow management have become more important. Due to the material amounts of debt that are coming up for refinancing by the Company and its subsidiaries (together the "Group") within the next 12 months, a description of the actions which have been taken or planned by the Management to address this is presented below.

(All amounts in Euro thousands unless otherwise stated)

During the year to 31 December 2011, the Company and the Group refinanced all of the committed facilities that matured during the year as well as maintained the short term uncommitted working capital loans. Over the next twelve months, two fully drawn committed facilities of the Group amounting to approximately €1,3 billion (of which €0,6 billion relate to the Company) of 30 June 2012, are due for repayment.

Part of the total amount maturing is scheduled to be repaid by cash reserves available to the Company and the Group and by operating cash flows which are expected to be generated by the new upgraded Elefsina refinery, which completed its commissioning and started up. The balance is planned to be refinanced with new loans which are currently in the final stages of structuring. The new loans syndication process will be launched over the coming weeks and is being organized by a group of Greek and International banks acting as Coordinators and Mandated Lead Arrangers. Prior to launching the new loan transactions, organising banks have committed to support the syndication process with a participation of approximately €0,5 billion out of the targeted new loans of €0,7-0,8 billion.

While all required actions have been planned and are in implementation phase, the success of the plan depends upon the cash flow generation assumptions for the remaining of the year and the ability of the Company and the Group and the organising banks to syndicate and raise the remainder amount required from the loans market. Management has appropriately addressed and minimised such risks in drafting the aforementioned refinancing plan, having performed a detailed assessment of the key cash flow assumptions and the capacity of the Company and the Group and the organising banks to attract the loan financing required. This assessment assumes that the prevailing exogenous factors, such as Eurozone policies, political environment conditions and oil market, will not be materially different in the near future.

4. 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 of hydrocarbons (E&P)

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

For the six month period ended 30 June 2012	**Refining**	**Petro-chemicals**	**Exploration & Production**	**Other**	**Total**
Sales	4.886.645	179.623	-	41	5.066.309
Other operating income / (expense) - net (Note 5)	(1.551)	1.023	(82)	-	(610)
Operating profit / (loss)	**65.176**	**9.220**	**(2.581)**	**15.429**	**87.244**
Currency exchange gains / (losses)	(23.636)	-	-	-	(23.636)
Profit/ (Loss) before tax & finance costs	**41.540**	**9.220**	**(2.581)**	**15.429**	**63.608**
Finance income/(expense) - net					(5.385)
Profit/ (Loss) before income tax					**58.223**
Income tax expense					(12.918)
Profit/ (Loss) for the period					**45.305**

(All amounts in Euro thousands unless otherwise stated)

For the six month period ended 30 June 2011	**Refining**	**Petro-chemicals**	**Exploration & Production**	**Other**	**Total**
Sales	4.024.525	158.295	-	-	4.182.820
Other operating income / (expense) - net (Note 5)	3.341	1.017	-	-	4.358
Operating profit / (loss)	**163.480**	**19.408**	**(3.849)**	**13.670**	**192.709**
Currency exchange gains / (losses)	36.053	-	-	-	36.053
Profit/ (Loss) before tax & finance costs	**199.533**	**19.408**	**(3.849)**	**13.670**	**228.762**
Finance income/(expense) - net					(10.940)
Profit/ (Loss) before income tax					**217.822**
Income tax expense					(50.566)
Profit/ (Loss) for the period					**167.256**

Further segmental information as at 30 June 2012 is as follows:

	Refining	**Petro-chemicals**	**Exploration & Production**	**Other**	**Total**
Total Assets	5.361.765	173.840	10.051	-	**5.545.656**
Total liabilities	3.435.625	132.630	0	139.046	**3.707.301**
Net Assets	1.926.142	41.210	10.051	(139.046)	**1.838.355**
Capital Expenditure (for six month period then ended)	208.129	147	-	-	**208.276**
Depreciation & Amortisation (for six month period then ended)	41.228	6.222	731	-	**48.181**

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**

5a. SELLING, DISTRIBUTION AND ADMINISTRATIVE EXPENSES

	For the six month period ended		**For the three month period ended**	
	30 June 2012	**30 June 2011**	**30 June 2012**	**30 June 2011**
Selling and distribution expenses	29.825	39.885	13.883	18.149
Administrative expenses	32.673	40.501	16.475	21.383
	62.498	**80.386**	**30.358**	**39.532**

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

Other operating income / (expenses) – net, include items which do not arise as a result of the trading activities of the Company (e.g. rental income and sales of personnel services to subsidiaries). Also included in Other operating income/(expenses) are gains / (losses) from derivative positions (see note 19) which are not treated under Hedge Accounting, as well as additional costs incurred in respect of the voluntary retirement schemes (VRS) effected during the first half of 2012.

6. FINANCE COSTS - NET

	For the six month period ended		For the three month period ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Interest income	2.790	5.864	1.359	3.158
Interest expense and similar charges	(3.295)	(13.726)	(2.731)	(3.618)
Accrued interest (expense) / income	(4.880)	(3.078)	(361)	(2.246)
Finance (expenses)/income -net	**(5.385)**	**(10.940)**	**(1.733)**	**(2.706)**

7. CURRENCY EXCHANGE GAINS / (LOSSES)

Foreign currency exchange losses of €24 million are driven mainly by marked-to-market gains on US$ denominated loans, due to the weakening of the Euro against the US$ as of 30 June 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 30 June 2012 (30 June 2011: 20%). No provision for special contribution has been included in the results for the six month period to 30 June 2012, as a relevant tax law has not yet been enacted.

In accordance with a new taxation law, beginning for the year ended 31/12/2011, 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 special 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. The Company has undergone this special tax audit and the auditors have issued an unqualified Tax Certificate.

The Company has not undergone a full tax audit for the financial year 2010. Tax audit for the years 2006-2009 is currently in progress. Provisional tax audits for the financial years 2006 and 2008 have been finalised, with no major findings.

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 interim consolidated financial information.

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 six month period ended		For the three month period ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Earnings per share attributable to the Company Shareholders (expressed in Euro per share):	**0,15**	**0,55**	**(0,07)**	**0,22**
Net income attributable to ordinary shares (Euro in thousands)	45.305	167.256	(20.937)	65.939
Average number of ordinary shares outstanding	305.635.185	305.635.185	305.635.185	305.635.185

(All amounts in Euro thousands unless otherwise stated)

10. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant & Machi-nery	Motor vehicles	Furniture and fixtures	Assets Under Cons-truction	Total
Cost							
As at 1 January 2011	**109.904**	**188.899**	**1.410.466**	**10.525**	**66.799**	**1.306.981**	**3.093.574**
Additions	-	144	95	70	1.168	228.727	230.204
Capitalised projects	-	2.170	18.416	-	2.415	(23.001)	-
Disposals	-	-	-	-	(3)	(901)	(904)
Transfers & other movements	-	-	(183)	-	-	(5.403)	(5.586)
As at 30 June 2011	**109.904**	**191.213**	**1.428.794**	**10.595**	**70.379**	**1.506.403**	**3.317.288**
Accumulated Depreciation							
As at 1 January 2011	**-**	**108.545**	**1.028.570**	**8.767**	**46.126**	**-**	**1.192.008**
Charge for the year	-	3.980	29.268	166	3.529	-	36.943
Disposals	-	-	-	-	(3)	-	(3)
As at 30 June 2011	**-**	**112.525**	**1.057.838**	**8.933**	**49.652**	**-**	**1.228.948**
Net Book Value at 30 June 2011	**109.904**	**78.688**	**370.956**	**1.662**	**20.727**	**1.506.403**	**2.088.340**
Cost							
As at 1 July 2011	**109.904**	**191.213**	**1.428.794**	**10.595**	**70.379**	**1.506.403**	**3.317.288**
Additions	100	16	257	18	2.653	415.649	418.693
Capitalised projects	-	31.303	263.961	68	1.618	(296.950)	-
Disposals	-	-	(474)	-	(22)	762	266
Assets from merged company	5.392	-	22	-	-	-	5.414
Transfers & other movements	-	-	183	-	-	(319)	(136)
As at 31 December 2011	**115.396**	**222.532**	**1.692.743**	**10.681**	**74.628**	**1.625.544**	**3.741.524**
Accumulated Depreciation							
As at 1 July 2011	**-**	**112.525**	**1.057.838**	**8.933**	**49.652**	**-**	**1.228.948**
Charge for the year	-	4.398	32.718	176	3.666	-	40.958
Disposals	-	-	(288)	-	(15)	-	(303)
As at 31 December 2011	**-**	**116.923**	**1.090.268**	**9.109**	**53.303**	**-**	**1.269.603**
Net Book Value at 31 December 2011	**115.396**	**105.609**	**602.475**	**1.572**	**21.325**	**1.625.544**	**2.471.921**
Cost							
As at 1 January 2012	**115.396**	**222.532**	**1.692.743**	**10.681**	**74.628**	**1.625.544**	**3.741.524**
Additions	-	22	172	5	861	207.118	208.178
Capitalised projects	-	4.383	54.584	464	348	(59.779)	-
Disposals	-	(185)	-	(94)	(24)	(641)	(944)
Transfers and other movements	-	57	(57)	-	-	(973)	(973)
As at 30 June 2012	**115.396**	**226.809**	**1.747.442**	**11.056**	**75.813**	**1.771.269**	**3.947.785**
Accumulated Depreciation							
As at 1 January 2012	**-**	**116.923**	**1.090.268**	**9.109**	**53.303**	**-**	**1.269.603**
Charge for the period	-	4.655	37.566	183	3.620	-	46.024
Disposals	-	(184)	-	(94)	(23)	-	(301)
As at 30 June 2012	**-**	**121.394**	**1.127.834**	**9.198**	**56.900**	**-**	**1.315.326**
Net Book Value at 30 June 2012	**115.396**	**105.415**	**619.608**	**1.858**	**18.913**	**1.771.269**	**2.632.459**

(1) Included in assets under construction is the cost for new units and the updgrade of the Elefsina refinery which has reached the completion of the Ready For Start Up (RSFU) stage, as further analysed in note 28.

(2) During the reporting period an amount of €45million in respect of interest has been capitalized in relation to Assets under construction, at an average borrowing rate of 5,3%. (6 months to 30 June 2011: €29 million at an average borrowing rate of 4,0 %.)

(3) In line with the policy of the Company, costs incurred as part of the testing, commissioning and start-up of the new units in Elefsina refinery have been capitalized as part of the Upgrade project owners costs, as per IAS 16.

11. INTANGIBLE ASSETS

(All amounts in Euro thousands unless otherwise stated)

	Computer software	Licences & Rights	Total
Cost			
As at 1 January 2011	**59.452**	**23.909**	**83.361**
Additions	8	-	8
Transfers, acquisitions & other movements	5.403	-	5.403
As at 30 June 2011	**64.863**	**23.909**	**88.772**
Accumulated Amortisation			
As at 1 January 2011	**56.767**	**16.623**	**73.390**
Charge for the year	977	656	1.633
As at 30 June 2011	**57.744**	**17.279**	**75.023**
Net Book Value at 30 June 2011	**7.119**	**6.630**	**13.749**
Cost			
As at 1 July 2011	**64.863**	**23.909**	**88.772**
Additions	1.078	-	1.078
Transfers & other movements	319	-	319
As at 31 December 2011	**66.261**	**23.909**	**90.170**
Accumulated Amortisation			
As at 1 July 2011	**57.744**	**17.279**	**75.023**
Charge for the year	1.105	629	1.735
As at 31 December 2011	**58.849**	**17.908**	**76.758**
Net Book Value at 31 December 2011	**7.411**	**6.001**	**13.412**
Cost			
As at 1 January 2012	**66.261**	**23.909**	**90.170**
Additions	98	-	98
Transfers & other movements	351	622	973
As at 30 June 2012	**66.710**	**24.531**	**91.241**
Accumulated Amortisation			
As at 1 January 2012	**58.849**	**17.908**	**76.758**
Charge for the period	934	1.223	2.157
As at 30 June 2012	**59.783**	**19.131**	**78.915**
Net Book Value at 30 June 2012	**6.926**	**5.400**	**12.326**

(All amounts in Euro thousands unless otherwise stated)

12. LOANS, ADVANCES AND OTHER RECEIVABLES

	As at	
	30 June 2012	**31 December 2011**
Loans and advances and other long term assets	4.161	3.843
Total	**4.161**	**3.843**

13. INVENTORIES

	As at	
	30 June 2012	**31 December 2011**
Crude oil	308.505	311.774
Refined products and semi-finished products	485.713	581.079
Petrochemicals	29.422	34.982
Consumable materials and other	81.633	76.332
- Less: Provision for Consumables and spare parts	(8.274)	(9.274)
Total	**896.999**	**994.893**

An amount of €9 million for write-down of inventories (stock devaluation) is included in cost of sales for the six month period ended 30 June 2012 (six months to 30 June 2011: €10 million).

The Company keeps crude oil and refined products stocks in excess of its normal operating stock levels in order to fulfil the EU requirement for compulsory Stock obligations (90 days stock directive), as legislated by Greek Law 3054/2002. At the end of 2011, the Company participated in a structure commonly used in other European markets whereby part of the stock obligations are delegated to other companies most commonly established as dedicated finance vehicles. Under this structure, Hellenic Petroleum SA has delegated part of this obligation to OTSM SA reducing its stock holding by approximately 300.000 MT. The Group has a 48% investment in OTSM.

14. TRADE AND OTHER RECEIVABLES

	As at	
	30 June 2012	**31 December 2011**
Trade receivables	577.395	658.712
- Less: Provision for impairment of receivables	(85.310)	(84.907)
Trade receivables net	**492.085**	**573.805**
Other receivables	316.359	299.141
- Less: Provision for impairment of receivables	(10.281)	(10.283)
Other receivables net	**306.078**	**288.858**
Deferred charges and prepayments	7.089	5.938
Total	**805.252**	**868.601**

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 amounts representing prepayments for VAT (Input VAT). Due to the nature of the Company's activities (VAT exempt on ex refinery sales) and the significant capital investment program the amounts of prepaid VAT as at 30/6/2012 amount to €90 million (31/12/2011: €190m). These amounts may be refunded or offset against other tax liabilities to the state, following a tax audit and verification of these balances. At present the Company is undergoing a tax audit for the years 2006-2009 while it has obtained an unqualified Tax Certificate for

(All amounts in Euro thousands unless otherwise stated)

2011 (see Note 8 on taxes). It should be noted that the amounts above include a balance of €54m which has been withheld by the customs office in respect of a dispute about stock shortages (see note 25 (iv) on contingencies).

15. CASH AND CASH EQUIVALENTS

	As at	
	30 June 2012	**31 December 2011**
Cash at Bank and in Hand	40.332	82.592
Short term bank deposits	493.697	480.690
Total	**534.029**	**563.282**

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. Due to the increased uncertainty during the last two years the Company has maintained a policy of keeping the maximum amount of cash available. All of the cash is kept with relationship banks on demand or short notice accounts.

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 30 June 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.

The AGM of Hellenic Petroleum S.A of 28 June 2012 approved the completion of the scheme and granted the remaining stock options of 1.479.933 shares for the year 2011. 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 stock options were exercised during the six month period ended 30 June 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 six month periods ended 30 June 2012 and 2011.

(All amounts in Euro thousands unless otherwise stated)

17. RESERVES

	Statutory reserve	Special reserves	Hedging reserve	Share-based payment reserve	Tax-free reserves	Total
Balance at 1 January 2011	**108.970**	**86.495**	**(54.242)**	**2.518**	**351.322**	**495.063**
Cash flow hedges (Note 19)						
- Fair value gains / (losses) on cash flow hedges	-	-	(35.537)	-	-	(35.537)
Balance at 30 June 2011	**108.970**	**86.495**	**(89.779)**	**2.518**	**351.322**	**459.526**
Cash flow hedges (Note 19)						
- Fair value gains / (losses) on cash flow hedges	-	-	15.853	-	-	15.853
- De-recognition of 2012 hedges	-	-	6.776	-	-	6.776
Share-based payments	-	-	-	1.119	-	1.119
Transfer to statutory reserves	4.822	-	-	-	-	4.822
Balance at 31 December 2011 and 1 January 2012	**113.792**	**86.495**	**(67.150)**	**3.637**	**351.322**	**488.096**
Cash flow hedges (Note 19)						
- Fair value gains / (losses) on cash flow hedges	-	-	11.336	-	-	11.336
- De-recognition of 2012 hedges	-	-	2.425	-	-	2.425
Balance at 30 June 2012	**113.792**	**86.495**	**(53.389)**	**3.637**	**351.322**	**501.857**

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.

18. BORROWINGS

	As at 30 June 2012	As at 31 December 2011
Non-current borrowings		
Bank borrowings	433.000	837.603
Non-current borrowings	**433.000**	**837.603**
Current borrowings		
Short term loans	1.483.383	1.065.276
Total current borrowings	**1.483.383**	**1.065.276**
Total borrowings	**1.916.383**	**1.902.879**

Gross borrowings of the Company by maturity as at 30 June 2012 are summarised on the table below:

	Maturity	Balance as at 30 June 2012 (millions)
1. HPF Short-Term Loan Facility	Jan 2013	624
2. EIB Term loan	Jun 2022	400
3. Bond loan €400 million	Jun 2013	225
4. Bilateral lines	Various	667
Total		**1.916**

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 30 June 2012, the outstanding loan balance with HPF amounted to the equivalent of €624 million (US$ 705 million and €64 million). This facility will be refinanced by the Company under the refinancing plan described in Note 3, “Financial Risk Management”.

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 30 June 2012, the outstanding loan balance amounted to €400 million.

On 5 April 2012, Hellenic Petroleum S.A. concluded a € 400 million syndicated bond loan agreement maturing on 30 June 2013. The aim of the loan was to finance general corporate purposes. As at 30 June 2012, the outstanding loan balance amounted to €225 million.

Loans with various banks are also utilised to cover the Company’s financing needs. As at 30 June 2012, the outstanding balance of such loans amounted to €667 million.

(All amounts in Euro thousands unless otherwise stated)

19. FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2012		31 December 2011	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Derivatives held for trading				
Commodity derivatives:				
Commodity swaps	-	5.310	-	12.577
	-	**5.310**	**-**	**12.577**
Total held for trading	**-**	**5.310**	**-**	**12.577**
Derivatives designated as cash flow hedges				
Commodity swaps	-	66.735	-	83.936
Total cash flow hedges	**-**	**66.735**	**-**	**83.936**
Total	**-**	**72.045**	**-**	**96.513**
Non-current portion				
Commodity swaps	-	15.922	-	50.158
	-	**15.922**	**-**	**50.158**
Current portion				
Commodity swaps (Note 14,21)	-	56.123	-	46.355
	-	**56.123**	**-**	**46.355**
Total	**-**	**72.045**	**-**	**96.513**

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 3rd 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 six months ended 30 June 2012 the amounts attributable to such derivatives were €14.931 gain (30 June 2011: €49.597 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 six month period ended 30 June 2012 was €8.918 loss (30 June 2011: €1.118 gain) and is shown under "Other operating (expenses) / income – net". "Other operating (expenses) / income – net" also includes a loss of €2.269 arising from the de-designation of July 2012 cash flow hedges related to the Elefsina Refinery Upgrade as explained below.

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.

(All amounts in Euro thousands unless otherwise stated)

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 30 June 2012 amounts transferred to the statement of comprehensive income for de-designated hedges amounted to €2.269 loss net of tax which relate to 2012 valuation of projected transactions for the Elefsina refinery upgrade (30 June 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 €2.425 net of tax (30 June 2011: €35.537 loss, net of tax), was transferred to the "Hedging Reserve".

The movements in other comprehensive income for the six month period ended 30 June 2012 and its comparative period are presented in the following table:

	For the six month period ended	
	30 June 2012	**30 June 2011**
Derecognition of hedges	11.336	-
Fair value gains/(losses) on cash flow hedges	2.425	(35.537)
Gains/(Losses) arising during the year, net of tax	**13.761**	**(35.537)**

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

20. PROVISIONS AND OTHER LONG TERM LIABILITIES

	As at	
	30 June 2012	**31 December 2011**
Government grants	16.167	17.607
Litigation provisions	3.000	5.000
Provisions for environmental costs	-	16.100
Other provisions	521	506
Total	**19.688**	**39.213**

Government grants

Advances by the Government relate to property plant and equipment.

Environmental costs

The respective provision as of 31 December 2011 relates to the estimated cost of the CO_2 emission rights required under the corresponding environmental legislation. The relevant provision amounting to €7 million as of 30 June 2012 is shown in short-term payables, since the obligation to deliver the relevant emission rights falls due within the next 12 months. No material provision for environmental restitution is included in the accounts as the Company has a policy of immediately addressing identified environmental issues.

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.

(All amounts in Euro thousands unless otherwise stated)

21. TRADE AND OTHER PAYABLES

	As at	
	30 June 2012	**31 December 2011**
Trade payables	1.405.572	1.428.020
Accrued Expenses & Deferred Income	36.410	50.400
Derivative financial instruments (Note 19)	56.123	46.355
Provision for environmental costs	7.100	-
Other payables	12.030	43.466
Total	**1.517.235**	**1.568.241**

Trade creditors include overdue amounts in respect of crude oil imports received during the six months to 30/6/2012, which at this stage are not possible to be settled as they 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 notified its supplier of this restriction which is due to legal constraints outside of its control and is in discussions with the competent authorities to seek the required permissions to allow it to fulfill its contractual obligations.

Provision for environmental costs as of 30 June 2012 relates to the estimated cost of the CO2 emission rights required under the corresponding environmental legislation.

22. CASH GENERATED FROM OPERATIONS

		For the six month period ended	
	Note	**30 June 2012**	**30 June 2011**
Profit before tax		**58.223**	**217.822**
Adjustments for:			
Depreciation and amortisation of tangible and intangible assets	**10,11**	48.181	38.576
Amortisation of grants		(1.440)	(1.494)
Financial expenses / (income) - net	**6**	5.385	10.940
Provisions for expenses and valuation changes		(1.024)	4.093
Foreign exchange (gains) / losses	**7**	23.636	(36.053)
Dividend income		(15.818)	(14.019)
		117.143	**219.865**
Changes in working capital			
Decrease / (Increase) in inventories		97.894	2.568
Decrease / (Increase) in trade and other receivables		75.877	(32.239)
(Decrease) / Increase in trade and other payables		(106.133)	(335.727)
		67.638	**(365.398)**
Net cash generated from/ (used in) operating activities		**184.781**	**(145.533)**

(All amounts in Euro thousands unless otherwise stated)

23. 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.

i) Sales of goods and services	For the six month period ended	
	30 June 2012	**30 June 2011**
Sales of goods		
Group Entities	1.950.417	1.864.212
Other related parties	385.626	108.994
Sales of services		
Group Entities	2.323	5.187
	2.338.366	**1.978.393**

ii) Purchases of goods and services		
Purchases of goods		
Group Entities	6.755	-
Other related parties	348.364	21.352
Purchases of services		
Group Entities	23.812	25.664
	378.931	**47.016**

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

Sales and Purchases of goods and services are higher during the period to 30 June 2012 than the corresponding period last year due to the transactions conducted with OTSM as part of its compulsory stock keeping obligations with the Group.

iii) Balances arising from sales / purchases of goods / services	As at	
	30 June 2012	**31 December 2011**
Receivables from related parties		
Group Entities		
- Receivables	234.742	274.322
Other related parties		
- Receivables	114.308	41.941
	349.050	**316.263**
Payables to related parties		
Group Entities		
- Payables	39.917	38.463
Other related parties		
- Payables	42.613	10.568
	82.530	**49.031**
Net balances from related parties	**266.520**	**267.232**

	For the six month period ended	
	30 June 2012	**30 June 2011**
Charges for directors remuneration	570	481

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 30 June 2012 had outstanding loans amounting to €335 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 30 June 2012 had outstanding loans amounting to the equivalent of €324 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)

24. COMMITMENTS

The major capital commitments for the Company as of 30 June 2012 amount to €182 million (31 December 2011: €316 million), of which €96 million relate to the major upgrade project in Elefsina.

25. 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 20). These are as follows:

(i) The Company is involved in a number of legal proceedings and has various unresolved claims that are pending and arise 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 provisions already reflected in the condensed interim financial information (Note 20).

(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 statements 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 imposed 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 consolidated financial information as of 30 June 2012 with respect to the above, as the Company believes that both cases will be finally assessed in its favour.

The 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.

In addition, provisional VAT audits have been concluded for the financial years 2006 to September 2011, resulting in the aggregate recovery of VAT receivable amounting to €241 million.

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 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 2012 was the equivalent of €1.544 million (31 December 2011: €1.747 million). The Company has also issued letters of credit and guarantees in favour of third parties, which as at 30 June 2012 amounted to the equivalent of €13 million (31 December 2011: €257 million).

(iv) In 2008, Customs issued deeds of customs and fines assessment amounting at approximately €40 million for alleged custom stock shortages in the bonded warehouses of Aspropyrgos and Elefsina refineries. 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. However, in respect of this case Customs office withheld an amount of €54m (assessed amount plus interest and surcharges) from taxes that were due for refund to the Group, an action against which the Company has filed a specific objection and claim. The Company considers that the above contestations will be sustained by the Court in light of the pertinent substantial reasons and serious procedural arguments as well as the fact that that subsequent audits for the same installations have concluded that no stock shortages exist.

26. 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 dividend for 2011 was approved by the Board of Directors on 23 February 2012 and the final approval was given by the shareholders at the AGM held on 28 June 2012. The dividend payable amounts to €137.536 and is shown within the condensed interim statement of equity. The dividend payment will commence on the 27th of August 2012.

27. OTHER SIGNIFICANT EVENTS

The EGM held on January 31st, 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 30 June 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'.

By virtue of Council Regulation (EU) No. 267/2012 of 23 March 2012, the derogation from sanctions on Iran crude oil imports has expired on July 1st 2012. This is a material development for the Company as its refineries crude feedstock historically included a large percentage (15-30% depending on commercial terms and production scheduling) of Iranian crude oil. As a result, all transactions with Iran's NIOC are suspended in line the official EU position and the Company has changed the source of its crude oil feedstock to alternative suppliers. This, combined with the impact of Greek economic crisis, has led to an exceptional situation and a temporary increase in the cost of crude oil and product supplies during the respective period.

28. EVENTS AFTER THE END OF THE REPORTING PERIOD

Completion of Elefsina refinery upgrade: The new refinery units that were built under the Elefsina upgrade project, which in this condensed interim consolidated financial information is included in the category "Assets under Construction", have reached the completion of the Ready For Start Up (RFSU) stage. During the half year ended 30/6/2012, most of the refinery's new units including the revamped Crude Oil Distillation units (CDU), the Vacuum Distillation Unit (VDU) and all the Utilities have been tested, commissioned and handed over for commercial operation. Since 30/6/2012, out of the main process units, the Hydrogen Production and the Hydrocracker Units have successfully been started up, while the Flexi Coker Unit is completing its' under start up. In line with normal practice for these type of refinery units, their operation is closely monitored, adjusted and optimized for a period of up to four months after the initial start-up to ensure that the units operate and perform in line with their design.