HELLENIC PETROLEUM S.A.

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE THREE MONTH PERIOD ENDED

31 MARCH 2016

HELLENIC
PETROLEUM

CONTENTS

I. Company Information

Directors	Efstathios Tsotsoros – Chairman of the Board Grigorios Stergioulis – Chief Executive Officer Andreas Shiamishis – Member Ioannis Psichogios – Member Georgios Grigoriou – Member Georgios Stampoulis – Member Dimitrios Kontofakas – Member Theodoros–Achilleas Vardas – Member Theodoros Pantalakis – Member Constantinos Papagiannopoulos – Member Panagiotis Ofthalmides – Member Spiridon Pantelias – Member Stratis Zafiris – Member
Other Board Members during the year	Georgios Maloglou – Member (Until 27/4/2016)
Registered Office:	8A Chimarras Str. GR 15125 Maroussi, Greece
Registration number:	2443/06/B/86/23
General Commercial Registry:	000296601000

(All amounts in Euro thousands unless otherwise stated)

II. Condensed Interim Statement of Financial Position

		As at	
	Note	**31 March 2016**	**31 December 2015**
ASSETS			
Non-current assets			
Property, plant and equipment	**10**	2.760.552	2.774.026
Intangible assets	**11**	7.680	8.371
Investments in subsidiaries, associates and joint ventures		658.926	656.326
Deferred income tax assets		169.138	177.639
Available-for-sale financial assets		3.117	50
Loans, advances and long-term assets	**12**	19.106	16.654
		3.618.519	**3.633.066**
Current assets			
Inventories	**12**	592.046	580.747
Trade and other receivables	**13**	969.947	1.001.818
Cash, cash equivalents and restricted cash	**14**	472.186	1.839.156
		2.034.179	**3.421.721**
Total assets		**5.652.698**	**7.054.787**
EQUITY			
Share capital	**15**	1.020.081	1.020.081
Reserves	**16**	430.739	438.818
Retained Earnings		(193.875)	(234.008)
Total equity		**1.256.945**	**1.224.891**
LIABILITIES			
Non- current liabilities			
Borrowings	**17**	1.537.382	1.536.414
Retirement benefit obligations		77.834	77.500
Provisions for other liabilities and charges		3.000	3.000
Other long term liabilities		372.083	12.400
		1.990.299	**1.629.314**
Current liabilities			
Trade and other payables	**18**	1.036.577	2.744.965
Derivative financial instruments		39.259	34.814
Borrowings	**17**	1.328.975	1.419.687
Dividends payable		643	1.116
		2.405.454	**4.200.582**
Total liabilities		**4.395.753**	**5.829.896**
Total equity and liabilities		**5.652.698**	**7.054.787**

The notes on pages 8 to 28 are an integral part of this condensed interim financial information.

E. Tsotsoros	G.Stergioulis	A. Shiamishis	S. Papadimitriou
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	Accounting Director

(All amounts in Euro thousands unless otherwise stated)

III. Condensed Interim Statement of Comprehensive Income

	Note	For the three month period ended 31 March 2016	31 March 2015
Sales		**1.109.912**	**1.736.682**
Cost of sales		(994.421)	(1.582.303)
Gross profit		**115.491**	**154.379**
Selling and distribution expenses		(19.484)	(27.753)
Administrative expenses		(16.639)	(18.555)
Exploration and development expenses		(78)	(355)
Other operating income / (expenses) - net	**5**	1.262	295
Dividend income		-	133
Operating profit / (loss)		**80.552**	**108.144**
Finance (expenses) / income -net	**6**	(40.228)	(40.102)
Currency exchange gains / (losses)	**7**	11.609	(37.314)
Profit / (loss) before income tax		**51.933**	**30.728**
Income tax expense	**8**	(11.800)	(10.072)
Profit / (Loss) for the period		**40.133**	**20.656**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on available-for-sale financial assets		(4.923)	-
Fair value gains/(losses) on cash flow hedges		(3.156)	4.123
Other Comprehensive income/(loss) for the period, net of tax		**(8.079)**	**4.123**
Total comprehensive income/(loss) for the period		**32.054**	**24.779**
Basic and diluted earnings per share (expressed in Euro per share)	**9**	**0,13**	**0,07**

The notes on pages 8 to 28 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 2015		**1.020.081**	**429.994**	**(273.388)**	**1.176.687**
Fair value gains / (losses) on cash flow hedges	**16**	-	4.123	-	4.123
Other comprehensive income		**-**	**4.123**	**-**	**4.123**
Profit / (Loss) for the period		-	-	20.656	20.656
Total comprehensive income / (loss) for the period		**-**	**4.123**	**20.656**	**24.779**
Balance at 31 March 2015		**1.020.081**	**434.117**	**(252.732)**	**1.201.466**
Movement - 1 April 2015 to 31 December 2015					
Actuarial gains / (losses) on defined benefit pension plans		-	917	-	917
Fair value gains / (losses) on cash flow hedges		-	(8.925)	-	(8.925)
Derecognition of gains/(losses) on hedges through comprehensive income		-	24.548	-	24.548
Other comprehensive income		**-**	**16.540**	**-**	**16.540**
Profit / (Loss) for the period		-	-	6.885	6.885
Total comprehensive income / (loss) for the period		**-**	**16.540**	**6.885**	**23.425**
Share based payments		-	(2.893)	2.893	-
Transfers to statutory and tax reserves	**16**	-	(8.946)	8.946	-
Balance at 31 December 2015		**1.020.081**	**438.818**	**(234.008)**	**1.224.891**
Movement - 1 January 2016 to 31 March 2016					
Fair value gains/ (losses) on available-for-sale financial assets	**16**	-	(4.923)	-	(4.923)
Fair value gains / (losses) on cash flow hedges	**16**	-	(3.156)	-	(3.156)
Other comprehensive income		**-**	**(8.079)**	**-**	**(8.079)**
Profit / (Loss) for the period		-	-	40.133	40.133
Total comprehensive income / (loss) for the period		**-**	**(8.079)**	**40.133**	**32.054**
Balance at 31 March 2016		**1.020.081**	**430.739**	**(193.875)**	**1.256.945**

The notes on pages 8 to 28 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

	Note	For the three month period ended 31 March 2016	31 March 2015
Cash flows from operating activities			
Cash used in operations	**19**	(1.247.868)	(735.699)
Income tax paid		-	(15.101)
Net cash used in operating activities		**(1.247.868)**	**(750.800)**
Cash flows from investing activities			
Purchase of property, plant and equipment & intangible assets	**10,11**	(21.255)	(14.511)
Dividends received		-	133
Interest received	**6**	4.252	6.031
Participation in share capital increase of affiliated companies		(1.400)	-
Net cash used in investing activities		**(18.403)**	**(8.347)**
Cash flows from financing activities			
Interest paid		(41.988)	(78.703)
Dividends paid		(473)	(64.002)
Proceeds from borrowings		16.000	237.500
Repayments of borrowings		(74.025)	(153.520)
Net cash used in financing activities		**(100.486)**	**(58.725)**
Net decrease in cash, cash equivalents and restricted cash		**(1.366.757)**	**(817.872)**
Cash, cash equivalents and restricted cash at beginning of the period	**14**	**1.839.156**	**1.593.262**
Exchange gains / (losses) on cash, cash equivalents and restricted cash		(213)	7.433
Net decrease in cash, cash equivalents and restricted cash		(1.366.757)	(817.872)
Cash, cash equivalents and restricted cash at end of the period	**14**	**472.186**	**782.823**

The notes on pages 8 to 28 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, ACCOUNTING POLICIES AND ESTIMATES

Basis of preparation

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

In this respect Management has concluded that (a) the going concern basis of preparation of the accounts is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company's accounting policies.

This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. These can be found on the Company's website **www.helpe.gr**.

The condensed interim financial information for the three month period ended 31 March 2016 was authorised for issue by the Board of Directors on 11 May 2016.

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 2016 are consistent with those applied for the preparation of the consolidated financial statements for the year ended 31 December 2015, except as described below. Where necessary, comparative figures have been reclassified to conform to changes in the presentation of the current year.

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

The following standards, amendments to standards and interpretations to existing standards may be applicable to the Company for periods on or after 1 January 2016:

Standards and Interpretations effective for the current financial year:

- *Annual Improvements to IFRSs 2012:*

  The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project. The adoption of these amendments does not have significant impact for the Company.

  - *IFRS 2 "Share-based payment".* The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

  - *IFRS 3 "Business combinations".* The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

- *IFRS 8 "Operating segments".* The amendment requires disclosure of the judgments made by management in aggregating operating segments.

- *IFRS 13 "Fair value measurement".* The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

- *IAS 16 "Property, plant and equipment"* and *IAS 38 "Intangible assets".* Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

- *IAS 24 "Related party disclosures".* The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

- *IAS 19R (Amendment) "Employee Benefits".* These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The adoption of the amendment does not have significant impact for the Company.

- *Annual Improvements to IFRSs 2014:*

  The amendments set out below describe the key changes to four IFRSs. Their adoption does not have significant impact for the Company.

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

  - *IFRS 7 "Financial instruments: Disclosures".* The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, "Disclosure – Offsetting financial assets and financial liabilities" is not specifically required for all interim periods, unless required by IAS 34.

  - *IAS 19 "Employee benefits".* The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

  - *IAS 34 "Interim financial reporting"*. The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

- *IFRS 11 (Amendment) "Joint Arrangements".* This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'. The adoption of the amendment does not have significant impact for the Company.

- *IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation".* This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The adoption of the amendment does not have significant impact for the Company.

- *IAS 27 (Amendment) "Separate financial statements".* This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. The adoption of the amendment does not have significant impact for the Company.

- *IAS 1 (Amendment)" Disclosure Initiative".* These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The adoption of the amendment does not have significant impact for the Company.

Standards and Interpretations effective for subsequent periods

- *IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018).* IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has not yet been endorsed by the EU.

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

- *IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019).* IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Company is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

- *IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment Entities: Applying the Consolidation Exception".* These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.

- *IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods beginning on or after 1 January 2017).* These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

- *IAS 7 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2017).* These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

3. FINANCIAL RISK MANAGEMENT

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

Macroeconomic Environment: During the previous years the Company faced exceptional challenges and increased cost of doing business mainly as a result of the economic crisis in Greece and the political uncertainty. These challenges remained in 2015, albeit with a less profound impact, as signs of improvement appeared in certain areas. The approval of the € 86 billion bailout programme in August 2015 and the successful recapitalisation of the 4 systemic banks during December 2015 were key steps towards the stabilisation of the macroeconomic and financial environment in Greece. Growth is projected to gain some momentum in the second half of 2016, notwithstanding the measures relating to direct and indirect taxation, as consumer confidence is expected to strengthen and as structural reforms take effect with the anticipation of boosting supporting exports and investment. Inflation is expected to remain low due to the very depressed state of the economy and unemployment is expected to gradually decline.

The bailout program was approved to be dispensed in allotments following the adoption of a series of agreed upon changes and austerity measures. Allotment of bailout funds commenced in tranches during 2015. The next tranche is expected upon completion of the first review of the program, following agreement between the Greek government and its lenders on specific measures to be implemented.

While the bailout program has reduced the risk of economic instability in Greece, concerns around its implementation remain as reflected in debt capital markets risk assessment and pricing. The implementation of the program and its effects on the economy are beyond the Company's control. In this economic environment, management continually assesses the situation and its possible future impact to ensure that all necessary actions and measures are taken in order to minimize any impact on the Company's Greek operations.

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

The measures imposed by the Greek government on 28 June 2015 restricted cross border payments of any kind without the prior written approval of a committee that has been set up for this purpose at the Ministry of Finance. Since initial imposition, capital controls are gradually being relaxed, with some responsibility for approvals being transferred to the banks for up to certain amounts, daily limits for the banking system increasing and other measures, thus facilitating international payments in the country. At present, there are no official restrictions on domestic transactions which are gradually being normalized.

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

Securing continuous crude oil supplies: Developments in the global and regional crude oil markets in the last 18 months have reduced the cost of raw material for the Company and increased optionality. Crude oil prices dropped by more than 70% compared to June 2014 peak. These developments led to lower cost of crude, for both sweet and especially sour grades, which represent the key source of feedstock for complex refiners like Hellenic Petroleum, improving the competitive position of Med refiners vs. their global peers and leading to higher refining margins, albeit with a significant one off inventory loss. The Company was able to take advantage of this development and diversify its crude basket compared to previous years.

(All amounts in Euro thousands unless otherwise stated)

Financing of operations: In line with its medium term financing plan, the Company has maintained a mix of long term, medium term and short term credit facilities by taking into consideration bank and debt capital markets' credit capacity, as well as cash flow planning and commercial requirements. Approximately 55% of total net borrowings are financed by medium to long term committed credit lines while the rest is financed by short term working capital credit facilities. Further details of the relevant loans and refinancing are provided in note 17, "Borrowings".

Capital management: Overall the Company has around €3,6 billion of capital employed which is driven from working capital, investment in fixed assets and its investment in DEPA Company. Current assets are mainly funded with current liabilities (incl. short term bank debt) which are used to finance working capital (inventories and receivables). As a result of the Company's investment plan, during the period 2007-2012, net debt level has increased to 48% of total capital employed while the rest is financed through shareholders equity. The Company has started reducing its net debt levels through utilization of the incremental operating cash flows, post completion and operation of the new Elefsina refinery, and plans to reduce these even further with the expected sale proceeds of its stake in DESFA, which is expected to lead to lower Debt to Equity ratio, better matched Asset and Liability maturity profiles as well as lower financing costs.

Fair value estimation

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

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

The following table presents the Company's assets and liabilities that are measured at fair value at 31 March 2016:

	Level 1	**Level 2**	**Level 3**	**Total balance**
Assets				
Available for sale financial assets	3.117	-	-	3.117
	3.117	**-**	**-**	**3.117**
Liabilities				
Derivatives used for hedging	-	39.259	-	39.259
	-	**39.259**	**-**	**39.259**

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2015:

	Level 1	Level 2	Level 3	Total balance
Assets				
Available for sale financial assets	50	-	-	50
	50	**-**	**-**	**50**
Liabilities				
Derivatives used for hedging	-	34.814	-	34.814
	-	**34.814**	**-**	**34.814**

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

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

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

Specific valuation techniques used to value financial instruments include:

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

There were no changes in valuation techniques during the periods.

There were no transfers between levels during the period.

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

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

(All amounts in Euro thousands unless otherwise stated)

4. ANALYSIS BY SEGMENT

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

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

For the three month period ended 31 March 2016

	Note	Refining	Petro-chemicals	Exploration & Production	Other	Total
Sales		1.044.735	65.177	-	-	1.109.912
Operating profit / (loss)		**60.573**	**20.705**	**(545)**	**(181)**	**80.552**
Finance income/(expense) - net	6					(40.228)
Currency exchange gains / (losses)	7					11.609
Profit/ (Loss) before income tax						**51.933**
Income tax credit / (expense)	8					(11.800)
Profit/ (Loss) for the period						**40.133**

For the three month period ended 31 March 2015

	Note	Refining	Petro-chemicals	Exploration & Production	Other	Total
Sales		1.672.863	63.819	-	-	1.736.682
Operating profit / (loss)		**95.069**	**13.881**	**(657)**	**(149)**	**108.144**
Finance income/(expense) - net	6					(40.102)
Currency exchange gains / (losses)	7					(37.314)
Profit/ (Loss) before income tax						**30.728**
Income tax expense	8					(10.072)
Profit/ (Loss) for the period						**20.656**

There has been no material change in the definition of segments or the segmental analysis of total assets or total liabilities from the amounts disclosed in the annual financial statements published at 31 December 2015.

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

	For the three month period ended	
	31 March 2016	**31 March 2015**
Income from grants' amortisation	317	325
Services to third parties	762	346
Rental income	338	99
Other income / (expense)	(155)	(475)
Other operating income / (expenses) - net	**1.262**	**295**

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

(All amounts in Euro thousands unless otherwise stated)

6. FINANCE (EXPENSES) / INCOME – NET

	For the three month period ended	
	31 March 2016	**31 March 2015**
Interest income	4.252	6.031
Interest expense and similar charges	(44.480)	(46.133)
Finance (expenses)/income -net	**(40.228)**	**(40.102)**

7. CURRENCY EXCHANGE GAINS / (LOSSES)

Foreign currency exchange gains of €12 million relate to marked-to-market gains on US$ denominated liabilities, due to the US $ weakening against the Euro as of 31 March 2016, compared to the beginning of the year. Operating foreign currency exchange gains and losses on transactions which do not relate to financing are reported under operating results.

8. INCOME TAXES

The corporate income tax rate is set at 29% for 2016 (2015: 29%).

Effective for fiscal years ending 31 December 2011 to 31 December 2015, Greek companies meeting certain criteria have to be audited on an annual basis by their statutory auditor in respect of compliance with tax law. This audit leads to the issuance of a Tax Certificate which, under certain conditions, substitutes the full tax audit by the tax authorities; which however retain the right of performing subsequent audit without finalizing its tax obligations for the respective fiscal year. The Company has been audited by the statutory auditor and has received a Tax Compliance report with no findings, for fiscal years up to 2014 (inclusive).

Unaudited income tax years

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

Issuance of tax certificates for the fiscal year 2015 is expected within the second quarter of 2016.

Management believes that no additional material liability will arise as a result of the unaudited tax year over and above the tax liabilities and provisions recognised in the financial statements for the period ended 31 March 2016.

Other Taxes

Provisional VAT audits have been completed up to and including December 2014.

9. EARNINGS PER SHARE

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

	For the three month period ended	
	31 March 2016	**31 March 2015**
Earnings per share attributable to the Company Shareholders (expressed in Euro per share):	**0,13**	**0,07**
Net income attributable to ordinary shares (Euro in thousands)	40.133	20.656
Average number of ordinary shares	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 2015	**115.396**	**517.883**	**3.579.933**	**14.307**	**82.136**	**96.445**	**4.406.100**
Additions	-	-	312	13	417	13.766	14.508
Capitalised projects	-	2.223	6.727	1	14	(8.965)	-
Disposals	-	-	-	-	-	(104)	(104)
Transfers & other movements	-	-	-	-	-	(671)	(671)
As at 31 March 2015	**115.396**	**520.106**	**3.586.972**	**14.321**	**82.567**	**100.471**	**4.419.833**
Accumulated Depreciation							
As at 1 January 2015	**-**	**165.097**	**1.392.447**	**9.809**	**70.873**	**-**	**1.638.226**
Charge for the period	-	4.450	24.458	105	1.014	-	30.027
As at 31 March 2015	**-**	**169.547**	**1.416.905**	**9.914**	**71.887**	**-**	**1.668.253**
Net Book Value at 31 March 2015	**115.396**	**350.559**	**2.170.067**	**4.407**	**10.680**	**100.471**	**2.751.580**
Cost							
As at 1 April 2015	**115.396**	**520.106**	**3.586.972**	**14.321**	**82.567**	**100.471**	**4.419.833**
Additions	-	2	914	17	1.550	117.343	119.826
Capitalised projects	-	7.639	150.039	5	551	(158.234)	-
Disposals	-	-	(466)	(60)	(19)	(2.387)	(2.932)
Transfers & other movements	-	-	10.939	-	-	(4.380)	6.559
As at 31 December 2015	**115.396**	**527.747**	**3.748.398**	**14.283**	**84.649**	**52.813**	**4.543.286**
Accumulated Depreciation							
As at 1 April 2015	**-**	**169.547**	**1.416.905**	**9.914**	**71.887**	**-**	**1.668.253**
Charge for the period	-	13.403	85.467	294	2.301	-	101.465
Disposals	-	-	(381)	(60)	(17)	-	(458)
As at 31 December 2015	**-**	**182.950**	**1.501.991**	**10.148**	**74.171**	**-**	**1.769.260**
Net Book Value at 31 December 2015	**115.396**	**344.797**	**2.246.407**	**4.135**	**10.478**	**52.813**	**2.774.026**
Cost							
As at 1 January 2016	**115.396**	**527.747**	**3.748.398**	**14.283**	**84.649**	**52.813**	**4.543.286**
Additions	-	-	84	2	302	20.861	21.249
Capitalised projects	-	307	4.523	-	10	(4.840)	-
Transfers and other movements	-	-	219	-	-	(490)	(271)
As at 31 March 2016	**115.396**	**528.054**	**3.753.224**	**14.285**	**84.961**	**68.344**	**4.564.264**
Accumulated Depreciation							
As at 1 January 2016	**-**	**182.950**	**1.501.991**	**10.148**	**74.171**	**-**	**1.769.260**
Charge for the period	-	4.383	29.335	94	640	-	34.452
As at 31 March 2016	**-**	**187.333**	**1.531.326**	**10.242**	**74.811**	**-**	**1.803.712**
Net Book Value at 31 March 2016	**115.396**	**340.721**	**2.221.898**	**4.043**	**10.150**	**68.344**	**2.760.552**

‘Transfers and other movements’ in assets under construction include the transfer of completed IT projects to intangible assets.

(All amounts in Euro thousands unless otherwise stated)

11. INTANGIBLE ASSETS

	Computer software	Licences & Rights	Total
Cost			
As at 1 January 2015	**83.006**	**24.667**	**107.673**
Additions	3	-	3
Transfers & other movements	319	-	319
As at 31 March 2015	**83.328**	**24.667**	**107.995**
Accumulated Amortisation			
As at 1 January 2015	**74.286**	**21.910**	**96.196**
Charge for the period	860	312	1.172
As at 31 March 2015	**75.146**	**22.222**	**97.368**
Net Book Value at 31 March 2015	**8.182**	**2.445**	**10.627**
Cost			
As at 1 April 2015	**83.328**	**24.667**	**107.995**
Additions	354	-	354
Disposals	-	(368)	(368)
Transfers & other movements	2.763	-	2.763
As at 31 December 2015	**86.445**	**24.299**	**110.744**
Accumulated Amortisation			
As at 1 April 2015	**75.146**	**22.222**	**97.368**
Charge for the period	4.125	907	5.032
Disposals	-	(27)	(27)
As at 31 December 2015	**79.271**	**23.102**	**102.373**
Net Book Value at 31 December 2015	**7.174**	**1.197**	**8.371**
Cost			
As at 1 January 2016	**86.445**	**24.299**	**110.744**
Additions	6	-	6
Transfers & other movements	490	-	490
As at 31 March 2016	**86.941**	**24.299**	**111.240**
Accumulated Amortisation			
As at 1 January 2016	**79.271**	**23.102**	**102.373**
Charge for the period	885	302	1.187
As at 31 March 2016	**80.156**	**23.404**	**103.560**
Net Book Value at 31 March 2016	**6.785**	**895**	**7.680**

‘Transfers and other movements’ in computer software mainly relate to completed IT software projects capitalised during the year and thus transferred from assets under construction.

(All amounts in Euro thousands unless otherwise stated)

12. INVENTORIES

	As at	
	31 March 2016	**31 December 2015**
Crude oil	205.755	180.149
Refined products and semi-finished products	323.411	330.240
Petrochemicals	17.708	22.286
Consumable materials, spare parts and other	70.365	72.444
- Less: Provision for Consumables and spare parts	(25.193)	(24.372)
Total	**592.046**	**580.747**

The cost of inventories included in “Cost of sales” amounts to €0,9 billion (31 March 2015: €1,5 billion).

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

13. TRADE AND OTHER RECEIVABLES

	As at	
	31 March 2016	**31 December 2015**
Trade receivables	342.917	387.856
- Less: Provision for impairment of receivables	(112.391)	(109.391)
Trade receivables net	**230.526**	**278.465**
Other receivables	742.445	728.945
- Less: Provision for impairment of receivables	(13.299)	(13.299)
Other receivables net	**729.146**	**715.646**
Deferred charges and prepayments	10.275	7.707
Total	**969.947**	**1.001.818**

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.

‘Other receivables’ include balances in respect of VAT, income tax prepayments, advances to suppliers and advances to personnel. Other receivables also include the following:

a) Advances of €327 million extended to Hellenic Petroleum International A.G. (a Group company) for the transfer of 100% of the share capital of Hellenic Fuels S.A. (currently a direct subsidiary of Hellenic Petroleum International A.G.) at book value (31 December 2015: €327 million). The conclusion of the transfer is subject to final contract signing.
b) VAT approved refunds amounting to €54m (31 December 2015: €54 million), withheld by the customs office in respect of a dispute relating to stock shortages (see Note 22). Against this action the Company has filed a specific legal objection claim and expects to fully recover this balance following the conclusion of the relevant legal proceedings.
c) A one-year bond loan of €138 million extended to EKO S.A., a 100% subsidiary.

The fair values of trade and other receivables approximate their carrying amount.

(All amounts in Euro thousands unless otherwise stated)

14. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	As at	
	31 March 2016	**31 December 2015**
Cash at Bank and in Hand	316.630	1.683.600
Cash and cash equivalents	**316.630**	**1.683.600**
Restricted cash	155.556	155.556
Total cash, cash equivalents and restricted cash	**472.186**	**1.839.156**

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

The outstanding balance under the EIB Facility Agreement B as at 31 March 2016 was €144 million, in accordance with the amortization schedule, whilst the outstanding balance of the Piraeus loan as at 31 March 2016 was €156 million. This is expected to be reduced to €144 million in the following months. The guarantee matured on 15 June 2015 and was renewed for an additional year.

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

Cash and cash equivalents as at 31 December 2015 include the Euro equivalent of USD 174 million (31 December 2015: USD 813 million), amounting to €153 million (31 December 2015: €747 million).

15. SHARE CAPITAL

	Number of Shares (authorised and issued)	**Share Capital**	**Share premium**	**Total**
As at 1 January 2015 & 31 December 2015	305.635.185	666.285	353.796	1.020.081
As at 31 March 2016	**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 2015: €2,18).

Share options

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

Since the vesting period is 1 November to 5 December of each respective year, no share options were exercised during the three month period ended 31 March 2016, or the comparative period of the previous year. Share based compensation expense was nil for the three month period ended on 31 March 2016.

(All amounts in Euro thousands unless otherwise stated)

16. RESERVES

	Statutory reserve	Special reserves	Tax free reserves	Hedging reserve	Share-based payment reserve	Actuarial gains/ (losses)	Available-for-sale gains/ (losses)	Total
Balance at 1 January 2015	**118.668**	**86.495**	**271.944**	**(44.464)**	**3.639**	**(6.288)**	**-**	**429.994**
Fair value gains / (losses) on cash flow hedges	-	-	-	4.123	-	-	-	4.123
Balance at 31 March 2015	**118.668**	**86.495**	**271.944**	**(40.341)**	**3.639**	**(6.288)**	**-**	**434.117**
Cash flow hedges:								
Fair value gains / (losses) on cash flow hedges	-	-	-	(8.925)	-	-	-	(8.925)
- Derecognition of gains/(losses) on hedges through comprehensive income	-	-	-	24.548	-	-	-	24.548
Actuarial gains/(losses) on defined benefit pension plans	-	-	-	-	-	917	-	917
Share-based payments	-	-	-	-	(2.893)	-	-	(2.893)
Transfer from / (to) retained earnings	-	-	(8.798)	-	-	(148)	-	(8.946)
Balance at 31 December 2015 and 1 January 2016	**118.668**	**86.495**	**263.146**	**(24.718)**	**746**	**(5.519)**	**-**	**438.818**
Fair value gains / (losses) on cash flow hedges	-	-	-	(3.156)	-	-	-	(3.156)
Fair value gains / (losses) on available-for-sale financial assets	-	-	-	-	-	-	(4.923)	(4.923)
Balance at 31 March 2016	**118.668**	**86.495**	**263.146**	**(27.874)**	**746**	**(5.519)**	**(4.923)**	**430.739**

Statutory reserves

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

Special reserves

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

Tax-free reserves

Tax-free reserves include:

(i) Retained earnings which have not been taxed with the prevailing corporate income tax rate as allowed by Greek law under various statutes. Certain of these retained earnings will become liable to tax at the rate prevailing at the time of distribution to shareholders or conversion to share capital.

(ii) Retained earnings, which have been taxed at a rate less than the corporate tax rate as allowed by Greek law. Certain of these retained earnings will be subject to the remaining tax up to the corporate tax rate prevailing at the time of distribution to shareholders or conversion to share capital.

17. BORROWINGS

	As at	
	31 March 2016	**31 December 2015**
Non-current borrowings		
Bank borrowings	277.444	277.444
Bond loans	1.259.938	1.258.970
Non-current borrowings	**1.537.382**	**1.536.414**
Current borrowings		
Short term bank borrowings	1.284.531	1.375.243
Current portion of long term bank borrowings	44.444	44.444
Total current borrowings	**1.328.975**	**1.419.687**
Total borrowings	**2.866.357**	**2.956.101**

Gross borrowings of the Company by maturity as at 31 March 2016 and 31 December 2015 are summarised on the table below (amounts in € million):

		Balance as at	
	Maturity	**31 March 2016 (millions)**	**31 December 2015 (millions)**
Syndicated bond loan €350 million	Jul 2018	342	341
Bond loan €400 million	Jun 2016	225	225
Bond loan €200 million	Jan 2018	199	199
European Investment Bank ("EIB") Term loan	Jun 2022	289	289
HPF Bond Loan €488m	May 2017	401	401
HPF Bond Loan US$ 397,6m	May 2016	256	364
HPF Bond Loan €317,6m	Jul 2019	318	318
Bilateral lines	Various	836	819
Total		**2.866**	**2.956**

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

1. *Term loans*

In July 2014 Hellenic Petroleum S.A. concluded a €350 million syndicated bond loan credit facility guaranteed by HPF, maturing in July 2018.

2. *Bond Loan €400 million*

In June 2014, Hellenic Petroleum S.A. extended the maturity date of a €400 million syndicated bond loan agreement from December 2014 to 30 December 2015 with a six month extension option, achieving at the same time improvements in cost and general terms and conditions. In September 2015 Hellenic Petroleum S.A. extended the maturity date to June 2016.

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

In line with the Group's risk management strategy to increase the percentage of committed term credit facilities, Hellenic Petroleum S.A. concluded a €200 million committed credit facility in January 2015, with a tenor of 3 years, with National Bank of Greece.

(All amounts in Euro thousands unless otherwise stated)

4. *EIB Term loans*

On 26 May 2010, Hellenic Petroleum S.A. signed two loan agreements (Facilities A and B) with the European Investment Bank for a total amount of €400 million (€200 million each). The purpose of the loans was to finance part of the investment programme relating to the upgrade of the Elefsina Refinery. Both loans have a maturity of twelve years with amortization beginning in December 2013 and similar terms and conditions. Facility B is credit enhanced by a commercial bank guarantee (see note 14). This is normal practice for EIB lending particularly during the construction phase of large projects. Total repayments on both loans up to 31 March 2016 amounted to € 111 million.

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

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

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

In May 2014, HPF issued a two-year $400 million Eurobond with a 4,625% annual coupon, maturing in May 2016. The Notes are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange. Subsequently the Company concluded a $397,6 million syndicated bond loan agreement with HPF and the proceeds were used for general corporate purposes.

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

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

8. *Bilateral lines*

The Company has credit facilities with various banks in place, for general corporate purposes. These mainly relate to short-term loans which have been in place and renewed as necessary over the past few years.

18. TRADE AND OTHER PAYABLES

	As at	
	31 March 2016	**31 December 2015**
Trade payables	927.750	2.633.351
Accrued Expenses & Deferred Income	89.478	73.432
Other payables	19.349	38.182
Total	**1.036.577**	**2.744.965**

Trade payables comprise amounts payable or accrued in respect of supplies of crude oil, products, commodity derivative contracts and services. Since the imposition of capital controls on 28 June 2015 in Greece, open credit from suppliers has reduced materially.

Trade payables, as at 31 March 2016 and 31 December 2015, include overdue amounts in respect of crude oil imports from Iran which were received between December 2011 and March 2012 as part of a long term contract with NIOC. Despite repeated attempts to settle the payment for these cargoes through the international banking system between January and June 2012, it was not possible to do so. This was due to the fact that payments to Iranian banks and state entities were not accepted for processing by the International banking system due to US and International sanctions. After 30 June 2012, Hellenic Petroleum was prohibited to effect payments to NIOC by virtue of EU sanctions (Council Regulation (EU) No. 267/2012 of 23 March 2012). The Company duly notified its supplier of this restriction on payments and the inability to accept further crude oil cargoes under the contract, which was due to the EU sanctions posing legal constraints outside its control.

(All amounts in Euro thousands unless otherwise stated)

On 18 October 2015, by Decision (CFSP) 2015/1863, the Council of the European Union (EU) decided to terminate implementation of all Union economic and financial sanctions against Iran, taking into account UNSCR 2231 (2015) and Annex B to UNSCR 2231 (2015), simultaneously with the IAEA-verified implementation by Iran of agreed nuclear-related measures. On 16 January 2016 ("Implementation Day"), by Decision (CFSP) 2016/37, the Council decided that Decision (CFSP) 2015/1863 shall apply from that date. On the same date U.S and other International Restrictive Measures were also partially lifted. In light of the above developments, Hellenic Petroleum and NIOC executed a Heads of agreement on 22 January 2016 for the recommencement of their commercial relationship for the supply of crude and for the settlement of the overdue amounts. Implementation of the agreement, which commenced during April 2016, is in full compliance with the prevailing EU and international framework as well as surviving sanctions. In accordance with the Heads of agreement, the relevant amount has been transferred from trade payables to other long-term liabilities as at 31 March 2016.

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

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

19. CASH GENERATED FROM OPERATIONS

		For the three month period ended	
	Note	**31 March 2016**	**31 March 2015**
Profit before tax		**51.933**	**30.728**
Adjustments for:			
Depreciation and amortisation of property, plant and equipment and intangible assets	**10,11**	35.639	31.199
Amortisation of grants		(317)	(325)
Financial expenses / (income) - net	**6**	40.228	40.102
Provisions for expenses and valuation changes		6.181	2.033
Foreign exchange (gains) / losses	**7**	(11.609)	37.314
Dividend income		-	(133)
		122.055	**140.918**
Changes in working capital			
Increase in inventories		(3.442)	(283.136)
Decrease / (Increase) in trade and other receivables		16.418	(93.051)
Decrease in trade and other payables		(1.382.899)	(500.430)
		(1.369.923)	**(876.617)**
Net cash used in operating activities		**(1.247.868)**	**(735.699)**

20. RELATED PARTY TRANSACTIONS

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

(All amounts in Euro thousands unless otherwise stated)

	For the year ended	
	31 March 2016	**31 March 2015**
Sales of goods and services to related parties		
Group entities	341.993	508.600
Associates	98.881	149.263
Joint ventures	34	42
Total	**440.908**	**657.905**

Purchases of goods and services from related parties		
Group entities	13.675	13.249
Associates	93.993	160.173
Joint ventures	264	122
Total	**107.932**	**173.544**

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

Balances due to / from related parties

	As at	
	31 March 2016	**31 December 2015**
Balances due to related parties		
Group entities	69.661	84.086
Associates	40.764	72.961
Joint ventures	123	266
Total	**110.548**	**157.313**
Balances due from related parties		
Group entities	421.214	433.088
Associates	22.531	39.252
Joint ventures	9	74
Total	**443.754**	**472.414**

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

a) Hellenic Petroleum Group companies

b) Associates and joint ventures of the Group consolidated under the equity method.

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

(All amounts in Euro thousands unless otherwise stated)

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

During the three months ended 31 March 2016, sales of goods and services to government related entities amounted to €29 million (31 March 2015: €11 million) and purchases of goods and services to €12 million (31 March 2015: €6 million). As at 31 March 2016, the Company had a total receivable amount of €15 million (31 December 2015: €13 million) from government related entities and a total payable amount of €3 million (31 December 2015: €10 million) to government related entities.

Total receivables (trade and other) due from the Greek state and its related entities amount to € 177 million (31 December 2015: € 182 million).

d) Key management includes directors (Executive and Non-Executive Members of the board of Hellenic Petroleum S.A.) and General Managers. The compensation paid or payable to the aforementioned key management amounted as follows:

	For the three month period ended 31 March 2016			For the three month period ended 31 March 2015		
	Short term employee benefits	**Termination benefits**	**Number of Members/ Managers**	**Short term employee benefits**	**Termination benefits**	**Number of Members/ Managers**
BOD Executive Members	255	-	4	235	-	4
BOD Non Executive Members	98	-	9	72	-	9
General Managers	414	471	8	369	-	8
Total	**767**	**471**		**676**	**-**	

The above table includes benefits paid or payable to Members/Managers for the period that they held the specific position. In instances where a Member/Manager is concurrently a BOD Member as well as a General Manager, the respective benefits are included in the former category. The Number of Members/Managers refers to Members/Managers who were included in one of the above categories even for part of the period.

e) The Company participates in the following jointly controlled operations with other third parties relating to exploration and production of hydrocarbons in Greece and abroad, either directly or indirectly, through its subsidiaries:
- Edison International SpA – HELPE Patraikos, 100% subsidiary (Greece, Patraikos Gulf).
- Calfrac Well Services Ltd – Hellenic Petroleum S.A. (Greece, Sea of Thrace concession)

21. COMMITMENTS

Capital expenditure contracted for as of 31 March 2016 amounts to €26 million (31 December 2015: €32 million).

22. CONTINGENCIES AND LITIGATION

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

(a) Business issues

(i) *Unresolved legal claims:* The Company is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information and the opinion of legal counsel, management believes the final outcome will not have a significant effect on the Company’s operating results or financial position, over and above provisions already reflected in the interim financial information.

(ii) *Guarantees:* The Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to subsidiaries and associates of the Group, the outstanding amount of which as at 31 March 2016 was the equivalent of €1.404 million (31 December 2015: €1.427 million).

(b) **Taxation and customs**

(iii) *Open tax years:* Income tax audits have been completed up to and including the financial year ended 31 December 2009. Furthermore, provisional tax audits mainly for the return of VAT have been concluded up to December 2014. Management estimates that no additional material liability will arise as a result of open tax years over and above the tax liabilities and provisions recognised in the interim financial information.

It is noted that for financial years ending 31 December 2011 up to 31 December 2015, Greek legal entities are subject to annual tax audits from their statutory auditors. The Company was audited for the financial years ended 31 December 2011 – 2014 obtaining unqualified tax audit certificates.

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

However the Customs office withheld an amount of €54 million (full payment plus surcharges) of VAT approved refunds, an action against which the Company filed two Contestations before the Administrative Courts of Athens and Piraeus. The Administrative Court of Athens ruled that the withholding effected by the Tax Office was done against the law. The Company considers that the latter contestation will also be sustained by the Piraeus Court and that the relevant amounts will finally be recovered.

23. DIVIDENDS

The BOD will propose no dividend out of 2015 results to the upcoming AGM. The Board did not approve a change in dividend policy overall and will re-evaluate dividend payment during 2016.

24. OTHER SIGNIFICANT EVENTS

Sale of DESFA

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

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

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

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

The Share Purchase Agreement (SPA) for the sale of 66% of DESFA's share capital was signed by HRADF, HELPE and SOCAR (Parties to the SPA) on 21 December 2013. According to this SPA the rights and obligations of the parties are conditional upon the occurrence of certain events (Conditions) such as the merger clearance of the transaction by the EU or national competition authorities (as applicable) and the certification of DESFA by the Regulatory Authority for Energy of the Hellenic Republic ("RAE") in accordance with article 65 of L. 4001/2011 ("Energy Law"). RAE issued its final certification decision on 29 September 2014. Notification of the transaction to DG for Competition of the European Commission took place on 1 October 2014. On 5 November 2014, the European Commission opened an in depth investigation. The extent of commitments which may be required to be undertaken by SOCAR and the exact time required for the European Commission to issue a clearance decision cannot be controlled by the parties. On 27 July 2015, the Parties to the SPA executed Addendum No 2, by virtue of which the long stop date of the SPA has been further extended to 21 December 2015, while on 16 December 2015 Addendum No 3 was executed providing for an additional long stop date extension to 30 September 2016. Further to such agreement, the validity of the SOCAR performance guarantee has been extended accordingly.

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

The cost of investment of the DEPA group in the Company's financial statements is €237 million. The impact of the above transaction on the financial statements will be determined on the basis of the structure of the transaction (at present a spin-off process is provided for in the SPA) and timing of implementation.

Given that the transaction can only be completed upon receiving the approval of the relevant competent authorities, and given the timing of such approvals and the unbundling process that is still to be concluded, DEPA Group, as it currently stands, continues to be accounted for and included in the interim financial information as an associate.

25. EVENTS OCCURING AFTER THE END OF THE REPORTING PERIOD

No material events took place after the end of the reporting period and up to the date of publication of the interim financial information.