Company Registration Number: 05610284

HELLENIC PETROLEUM FINANCE PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

Directors	Andreas Shiamishis Robertos Karahannas Susan Elizabeth Lawrence (from 19/9/2017) Kenneth Howard Prince-Wright (from 19/7/2017)
Other directors during the year	Colin Arthur Benford (Until 19/7/2017) Sean Peter Martin (Until 19/7/2017) Capita Trust Corporate Services Limited (from 19/7/2017 and until 19/9/2017) Grigorios Stergioulis (until 13/6/2018)
Company Registration Number	05610284
Company Secretary	TMF Corporate Administration Services Limited (from 19/9/2017) Capita Trust Corporate Limited (Until 19/9/2017)
Registered Office	5th Floor, 6 St. Andrew Street London EC4A 3AE
Independent Auditors	Ernst & Young LLP Bedford House, 16 Bedford Street, Belfast BT2 7DT

STRATEGIC REPORT

Hellenic Petroleum Finance PLC ("the Company") is a wholly owned subsidiary of Hellenic Petroleum S.A ("the Parent Company"), which is incorporated in Greece. The Parent Company 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. to act as the central treasury vehicle of the Hellenic Petroleum Group ("the Group"). The principal activity of the Company is to raise finance in the international capital markets for the purposes of funding the activities of companies within the Group, in line with the Group's business strategy.

The ability of the Company to service its liabilities – principally interest and capital on the issued Loan Notes – is entirely dependent on the ability of the Parent Company to pay capital and interest on the inter-group loan provided by the Company.

As stated above, the Parent Company operates in Greece, where following a period of economic recession between 2009 and 2016 the economy begun recovering during 2016 and continued growing in 2017. The improved macroeconomic situation in the country resulted in reduced risk of recoverability of the loans as compared to previous years.

Having considered the aforementioned, the Directors have also taken into account the specific factors related to the Group as outlined in section 'Macroeconomic and financial factors – The Group' on page 4 and consider it appropriate to use the going concern basis for the Company's financial statements.

The profit for the year and the Company's financial position at the end of the year are shown in the attached financial statements. The profit for the year was € 187,507 (2016: € 142,565) which is transferred to reserves.

Financing:

The Company's activities are closely monitored and controlled by the directors on a regular basis, in line with the strategic and investment plans of the Group.

The Parent Company raises its borrowing from a number of sources, including the Company and Greek and International banks. At 31 December 2017, the Company accounted for € 0.8 billion of a total of € 2.8 billion in total Group borrowings. Of this, € 1.8 billion is due to Greek banks, including bilateral facilities of € 0.7 billion (of which € 0.6 billion are payable on demand). It should be noted that as at 31 December 2017 the Parent Company has cash reserves of €0.9 billion.

Details of the Company's borrowing history are set out in Note 16, and summarised below:

In May 2016 the Company repaid its $400 million Eurobond upon maturity. In October 2016 the Company further issued a Eurobond denominated in Euro with a notional amount of € 375 million. The proceeds of the issue were used to repay existing financial indebtedness, including the partial prepayment of the €500 million Eurobond, which matured in May 2017 through a tender offer process, which was completed in October 2016, at a cost of € 7.9 million, during which notes of a nominal value of €225 million were accepted. In May 2017 the outstanding balance of the €500 million Eurobond amounting to € 264 million was repaid upon maturity. In July 2017, the Company issued an additional € 74.53 million guaranteed notes due 14 October 2021, which were consolidated and form a single series with the € 375 million guaranteed notes.

As at 31 December 2017 the balance outstanding on the Euro denominated Eurobonds (excluding unamortised costs) amounted to €768 million. The Eurobonds are guaranteed by the Parent Company.

Since incorporation and up to the date of signing the financial statements, the Company has raised a total of € 3,547 million and repaid € 2,742 million in financing for the Group.

Stand By Facility

In order to ensure no funding gap, in May 2016 the Parent Company concluded a € 400 million bond loan stand-by facility with a tenor of 18 months and an extension option for a further 6 months. The bond loan facility has two Tranches, a committed Tranche of € 240 million and an uncommitted Tranche of €160 million. The utilised balance of the committed Tranche as at 31 December 2017 was € 239 million and the uncommitted Tranche was unutilised.

STRATEGIC REPORT (continued)

Macroeconomic and financial factors - the Group

The Group's consolidated financial statements were approved by the Board of Directors on 22 February 2018. The Group's operating results were maintained at satisfactory levels for the year ended 31 December 2017. Net Income amounted to €384 million (2016: € 329 million) as a result of the positive refining environment and the consistent operational performance across all the Group's business units.

Following a period of economic recession between 2009-2016, during which real GDP fell by 26%, the Greek economy begun recovering during 2016 and continued growing in 2017 (+1,4%), marking the first time that real GDP growth has exceeded 1% since 2007. Economic recovery, improved banking system stability, completion of the second and third EU bailout programme reviews, as well as improved confidence reflected in the Greek government bond yields and the new 7-year government bond issue, contributed to an enhanced macroeconomic backdrop in the country. Employment growth (+2,1% in 2017) had a positive impact on income and private consumption.

Despite the significant progress in economic recovery recorded in 2017, inflation and wage growth are still weak and concerns around the banking system sustainability and government funding after the bailout program termination remain, as reflected in debt capital and equity markets risk assessment and pricing. Economic developments in the country are beyond the Group's control; however, Management continually assesses the situation and its possible future impact to ensure that all necessary actions and measures are taken in order to minimize the impact on the Group's Greek operations.

Given the current macroeconomic environment, and the increased challenges faced, the directors have considered the various issues which may affect the Company's and the Group's operations. They have assessed and quantified implications from possible continuation or even worsening of the current macroeconomic situation and financial crisis. Factors taken into account include:

- assessing the sources of revenues and working capital for the Group companies, and more specifically the holding company, including the rebound of the key industry drivers which are reflected into a material improvement of the Group's performance and cash flows;
- the improvement of the performance from the Group's core refining assets;
- the positive cash generations expected during 2018 which, combined with existing undrawn available credit facilities, will provide the necessary headroom to cover obligations falling due over the next 12 months.

Having considered the above and the developments in these matters since the issuance of the Group financial statements, as well as taking into consideration the guarantee from the Parent Company, the directors of the Company consider it appropriate to use the going concern basis in preparation of the Company's financial statements, as the Company is expected to continue its current operations and activities without any major interruption for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the implementation of the Company's strategy are subject to a number of risks. The key business risks affecting the Company are credit risk, liquidity risk and interest rate risk. The management of those risks has been detailed in Note 3 of the financial statements. Additional information on the overall Group business is also available through the Hellenic Petroleum S.A. website (www.helpe.gr).

KEY PERFORMANCE INDICATORS

The key performance indicators of the business are considered to be the net interest income and the net interest margin. During 2017, the Company achieved net interest income of € 748,598 (2016: € 8,554,499) and net interest margin of 1,4% (2016: 10.4%). The decrease is also due to decreased average amounts lent and decreased interest rates as well as decreased average amounts borrowed for the year ended 31 December 2017, as compared to the previous year.

On behalf of the Board

Andreas Shiamishis
Director
26 June 2018

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2017. The comparative period is the year ended 31 December 2016.

GENERAL INFORMATION

The Company is a public limited company limited by shares, incorporated in England and Wales on 2 November 2005. It is domiciled in the UK and is a wholly owned subsidiary of Hellenic Petroleum S.A. (the "Parent Company"), a company incorporated in Greece. The Company secretary and registered office are shown on page 2.

FUTURE DEVELOPMENTS

The Company is in the process of executing a refinancing plan for its syndicated credit facility maturing during July 2018. Following negotiations with the banks concerned, the Company obtained proposed key terms for refinancing the above facility. The Board of Directors of the Group approved the proposed refinancing plan and further steps for conclusion of the new loan agreements. The Company expects the refinancing to be completed in due time before maturity of existing loans.

DIVIDENDS

The directors have not recommended a dividend for the current year (2016: € nil).

POST BALANCE SHEET EVENTS

Please refer to Note 19.

DIRECTORS

The directors who served the Company during the year and up to the date of signing the financial statements were as follows:

- Andreas Shiamishis
- Robertos Karahannas
- Susan Elizabeth Lawrence (from 19/9/2017)
- Kenneth Howard Prince-Wright (from 19/7/2017)
- Colin Arthur Benford (Until 19/7/2017)
- Sean Peter Martin (Until 19/7/2017)
- Capita Trust Corporate Services Limited (from 19/7/2017 and until 19/9/2017)
- Grigorios Stergioulis (Until 13/6/2018)

Grigorios Stergioulis, Andreas Shiamishis and Robertos Karahannas were employed by and/or participated in the board of directors ("the Board") of other member companies of the Group. In their capacity as directors of the Company they received no emoluments from the Company or from any other member of the Group.

CORPORATE GOVERNANCE

The directors have been charged with governance in accordance with the Articles of Association of the Company. The Company has in place policies and procedures that have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records, and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives whilst enabling the directors to comply with their regulatory obligations.

Due to the nature of the securities that have been issued, the Company is largely exempt from the disclosure requirements of the Financial Conduct Authority pertaining to the Disclosure and Transparency Rules (DTR) as detailed in DTR 7.1, audit committees and 7.2, corporate governance statements (save for DTR 7.2.5 a requiring description of the features of the internal control and risk management systems), which would otherwise require the Company respectively, to have an audit committee in place and include a corporate governance statement in the report of the directors. The directors are therefore satisfied that there is no requirement for an audit committee or a supervisory body entrusted to carry out the functions of an audit committee or to publish a corporate governance statement

FINANCIAL RISK MANAGEMENT

The management of the business and the execution of the Company's strategy are subject to a number of risks which are formally reviewed by the Board and appropriate practices are put in place to monitor and mitigate them. Please refer also to Note 3.

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors of the ultimate parent company are responsible for the maintenance and integrity of the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

In accordance with Section 418 of the Companies Act 2006, each director in office at the date the Directors' Report is approved confirms:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that one ought to have taken as a director in order to make oneself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

On behalf of the Board

Andreas Shiamishis
Director
26 June 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC

Opinion

We have audited the financial statements of Hellenic Petroleum Finance Plc (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (CONTINUED)

Overview of our audit approach

Key audit matters	• Recoverability of Intercompany Loan Receivables and Accrued Interest Income
Materiality	• Overall materiality of €4.1 million which represents 0.5% of total assets.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated
Recoverability of intercompany loan receivables (31 December 2017 - €804M, 31 December 2016 - €981M) and accrued interest income (31 December 2017 - €14.6m, 31 December 2016 - €29.2m) *Refer to the Accounting policies in note 2 (pages 17 - 19); and Note 3 of the financial statements (page 20) and Note 12 of the Financial Statements (page 26)* The company has Eurobonds totalling €761.6m (2016 - €942.9m) which are listed on the Luxembourg Stock Exchange. The funds generated from the issue of the Eurobonds have been lent to the parent company and other companies within the Hellenic Petroleum Group. *Refer to Note 16 (page 27) of the Financial Statements)* The company's ability to service and redeem the Eurobonds depends upon the parent and sister companies' ability to service and repay the intercompany loans. Management has concluded that the intercompany balance is recoverable based on the underlying financial performance and position of the relevant entities.	We obtained management's assessment of the recoverability of the intercompany receivables and agreed it to underlying documentation. We have obtained evidence to support the financial position and performance of the entities from whom the intercompany receivable is recoverable. We have considered this evidence independently of management, applying appropriate challenge, in order to conclude whether or not management's assessment that this balance is recoverable is reasonable. We have audited the disclosures in respect of the intercompany receivables in the financial statements	Based upon the audit procedures that we have completed we are satisfied that the intercompany balance is recoverable. We have also concluded that the disclosures in respect of the intercompany receivable in the financial statements are appropriate.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (CONTINUED)

An overview of the scope of our audit

Tailoring the scope
Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Changes from the prior year

This is the first year with Ernst & Young LLP being appointed as auditors.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be €4.1 million which is 0.5% of total assets.

We believe that total assets provides us with a consistent year on year basis for determining materiality and is the most relevant performance measure to the stakeholders of the entity.

During the course of our audit, and at completion, we reconfirmed that the initial calculation of materiality was appropriate.

Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely €2.1 million.

We have set performance materiality at this percentage to ensure that total detected and undetected audit differences do not exceed our planning materiality for the financial statements as a whole.

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of €207,000, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ruth Logan (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP, Statutory Auditor
Belfast
Date: 26th of June 2018

Notes:
1. The maintenance and integrity of the Hellenic Petroleum Finance PLC web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 31 December 2017 €	2016 €
Interest receivable	6	52,132,758	82,382,034
Interest payable	7	(51,384,160)	(73,827,535)
Net interest income		**748,598**	**8,554,499**
Other (expenses)/income	8	-	(7,875,035)
Administrative expenses	9	(505,576)	(303,643)
Net foreign exchange (losses)/gains	10	(10,815)	(135,677)
Profit before income tax		**232,207**	**240,144**
Income tax expense	11	(44,700)	(97,579)
Profit for the year		**187,507**	**142,565**
Total comprehensive income for the year		**187,507**	**142,565**

The notes on pages 17 to 30 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2017	2016
	Note	€	€
ASSETS			
Non-current assets			
Loans receivables	3	721,022,972	684,551,000
Current assets			
Loans receivables	3	83,000,000	296,000,000
Prepayments and accrued income	13	14,608,210	29,189,200
Cash and cash equivalents	14	8,511,448	334,781
		106,119,658	325,523,981
TOTAL ASSETS		**827,142,630**	**1,010,074,981**
EQUITY AND LIABILITIES			
EQUITY			
Ordinary shares	15	10,000,000	10,000,000
Retained earnings		12,352,056	12,164,549
Total equity		**22,352,056**	**22,164,549**
LIABILITIES			
Non current liabilities			
Borrowings	16	761,607,431	709,745,409
Current liabilities			
Borrowings	16	29,882,085	262,813,944
Income tax payable		79,877	55,401
Interest payable and other liabilities	17	13,221,181	15,295,678
		43,183,143	278,165,023
Total liabilities		**804,790,574**	**987,910,432**
Total equity and liabilities		**827,142,630**	**1,010,074,981**

These financial statements on pages 13 to 30 were approved by the Board of directors on 26 June 2018 and signed on its behalf by:

Andreas Shiamishis
Director

The notes on pages 17 to 30 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	Ordinary Shares €	Retained Earnings €	Total Equity €
Balance at 1 January 2016	10,000,000	12,021,984	22,021,984
Profit and Total comprehensive income for the year	-	142,565	142,565
Balance at 31 December 2016 and 1 January 2017	10,000,000	12,164,549	22,164,549
Profit and Total comprehensive income for the year		187,507	187,507
Balance at 31 December 2017	**10,000,000**	**12,352,056**	**22,352,056**

The notes on pages 17 to 30 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	2017	**2016**
	€	**€**
Cash flows from operating activities		
Profit before tax	232,207	240,144
Adjustments for:		
Unrealised foreign exchange loss/(gains) on operating activities	-	(2,460)
Amortisation of deferred borrowing costs	5,377,776	9,764,432
Net changes in assets/liabilities relating to operating activities		
Decrease in accrued finance cost	(1,720,700)	(555,319)
Decrease/ (Increase) in accrued finance income	14,585,883	(10,242,639)
(Increase)/ decrease in prepayments	(4,893)	(5,678)
Decrease in other liabilities	(105,605)	(292,030)
Cash flows from operating activities	**18,364,668**	**(1,093,550)**
Income tax paid	(20,224)	(255,027)
Loan fees paid	(1,316,605)	(12,892,403)
Net cash (used in)/generated from operating activities	**17,027,839**	**(14,240,980)**
Cash flows from investing activities		
Loans granted to related parties	(120,971,972)	(423,000,986)
Loan repayments received from related parties	297,500,000	654,725,238
Net cash generated from/(used in) investing activities	**176,528,028**	**231,724,252**
Cash flows from financing activities		
Proceeds from borrowings	79,001,800	372,948,750
Repayment of borrowings	(264,381,000)	(590,504,550)
Net cash used in financing activities	**(185,379,200)**	**(217,555,800)**
Net increase/(decrease) in cash and cash equivalents	**8,176,667**	**(72,528)**
Cash and cash equivalents at the beginning of the year	334,781	407,309
Cash and cash equivalents at the end of the year	**8,511,448**	**334,781**

The notes on pages 17 to 30 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Hellenic Petroleum Finance Plc was incorporated as a public limited company in England and Wales on 2 November 2005 and is a wholly owned subsidiary of Hellenic Petroleum S.A., a company incorporated in Greece.

The Company engages in raising finance in the international capital markets for the purposes of funding the activities of the Parent Company and other companies within the Group in line with the Group's business strategy.

2. ACCOUNTING POLICIES

Basis of preparation
Having consulted with the Parent Company's directors and taking into account all the relevant information available to them including the investment plans, business strategy and financial position of the Group, and as described in detail in our Strategic Report on page 3, the directors consider the financial position of the Company to be satisfactory, and expect the business to continue during 2018 and for the foreseeable future. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) adopted by the European Union (EU) and with those parts of the Companies Act, 2006 applicable to companies reporting under IFRS.

A summary of the most important accounting policies which have been used for the preparation of these financial statements is set out below. These policies have been applied consistently for the years presented. The preparation of financial statements, in accordance with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 "Critical accounting estimates and judgements". These estimates are based on management's best knowledge of current events and actions; actual results ultimately may differ from those estimates.

Changes in accounting policies and disclosures

New standards, amendments to standards and interpretations of existing standards are detailed in the Group's consolidated financial statements available at Hellenic Petroleum S.A. website (www.helpe.gr). The below amendment has been adopted by the Company as of 1 January 2017, however it did not have a significant impact on the financial statements for the year ended 31 December 2017.

- IAS 7 (Amendments) "Disclosure initiative": The objective of the Amendments is to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Amendments specify that one way to fulfil the disclosure requirement is by providing a tabular reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities, including changes from financing cash flows, changes arising from obtaining or losing control of subsidiaries or other businesses, the effect of changes in foreign exchange rates, changes in fair values and other changes.

Early adoption of standards
The directors consider that there are no new standards, amendments and interpretations issued and available for early adoption for the financial year beginning 1 January 2017 that are relevant to the Company.

Future accounting developments

IFRS 9 "Financial Instruments" – Classification and Measurement: The standard is effective for annual periods beginning on or after 1 January 2018, with early application permitted. The final version of IFRS 9 Financial Instruments reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Future accounting developments (continued)

The Company plans to adopt the new standard on the required effective date and will not restate comparative information. During 2017, an impact assessment of IFRS 9 was performed. Based on the above assessment the Company concluded that the financial assets currently held will continue to be measured on the same basis under IFRS 9, and accordingly, the new guidance is not expected to have a significant impact on the classification and measurement of its financial assets. The Company is currently in the process of performing final checks on the determination of the transition effect.

IFRS 15 "Revenue from Contracts with Customers": The standard is effective for annual periods beginning on or after 1 January 2018. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The new standard is based on the principal that revenue is recognized when control of a good or service is transferred to a customer.

During 2017, the Company performed an assessment of IFRS 15 and concluded that there were no material differences from the current accounting policies. Therefore, the new standard is not expected to have any impact on the Company's financial statements, upon adoption.

Foreign currency translation

(a) Functional and presentational currency

The Company transacts in Euros ("€"), US Dollars ("$") and also GB Pounds ("£"). Items included in the financial statements are measured in Euros; which is the Company's functional and presentational currency and all values are rounded to the nearest Euro (€), except when otherwise indicated.

(b) Transactions and balances

Foreign currency balances are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Interest receivable and interest payable

Interest receivable and interest payable is recognised on an accrual basis using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and commissions paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Income tax

Income tax on the profit or loss for the year comprises current tax. The current income charge tax is calculated on the basis of the tax laws enacted at the end of the reporting period in the country where the Company operates and generates taxable income. In accordance with the respective agreement between the Company and the HM Revenue & Customs, the tax is calculated on the basis of an on-lending margin based on a minimum 2.5 basis points spread.

Financial Assets

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. At 31 December 2017 and 2016, the Company had no financial assets at fair value through profit or loss or any available-for-sale financial assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Loans receivable are initially measured at fair value with subsequent measurement being at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance is measured as the difference between the asset's carrying value and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan. To the extent that it is probable that some or all of the facility will be drawn down, the fee is deferred until the draw-down occurs and recognized over the life of the loan using the effective interest method. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. At the end of the reporting period payable amounts of bank overdrafts are included within borrowings in current liabilities on the statement of financial position. In the statement of cash flows, bank overdrafts are shown within financing activities.

In cases where an existing borrowing of the Company is renegotiated, this might result in modification or an exchange of borrowings with the lenders that could be carried out in a number of ways. Whether a modification or exchange of borrowings represents a settlement of the original debt, or merely a renegotiation of that debt, determines the accounting treatment that should be applied by the borrower. When the terms of the existing borrowings are substantially different from the terms of the modified or exchanged borrowings, such a modification or exchange is treated as an extinguishment of the original borrowing and any difference arising is recognised in profit and loss.
The Company considers the terms to be substantially different if either the discounted present value of the future cash flows under the new terms, including any costs or fees incurred, using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original borrowing or there is a substantial change in the terms from a qualitative perspective. Qualitative factors may include:

- the currency in which the borrowing is denominated
- the interest rate (that is fixed versus floating rate)
- changes in covenants

Cash and cash equivalents
Cash and cash equivalents comprise balances with less than 3 months maturity from the date of acquisition.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Other liabilities
Liabilities for other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for services received.

3. FINANCIAL RISK MANAGEMENT

The management of the business and the execution of the Company's strategy are subject to a number of risks primarily the key financial risks set out below. Risks are formally reviewed by the Board and appropriate processes are put in place to monitor and mitigate them.

Financial risk management
The main purpose of the Company is to raise finance in the international capital markets for the purpose of funding the activities of the Parent Company and other Group companies in line with Group's business strategy. The Company's activities expose it to a variety of financial risks, which the Directors consider to be principally credit risk, liquidity risk, interest rate risk and foreign exchange risk. The financial instruments of the Company include loans receivables, cash and other liquid resources, interest-bearing borrowings and various receivables and payables that arise directly from its operations.

(a) Credit risk
The principal credit risk to the Company is that the borrowers will not be able to meet their obligations as they fall due. The risk is minimised by the fact that the loans are provided to the Parent Company and other subsidiaries of the Group, the credit quality of which is continuously monitored and assessed by the Company. None of the loans granted are either past due or impaired.

(b) Liquidity risk
Prudent liquidity risk management entails maintaining sufficient cash reserves and financial headroom through committed credit facilities. The Company maintains flexibility in its funding through the use of committed credit facilities and, moreover, by granting loans to the Group companies which are payable on demand or have a maturity period less than those of the related borrowings.

The Group is in the process of executing a refinancing plan for the bond loans and syndicated credit facilities which are falling due during the next 12 months. Following negotiations with the banks concerned, the Group obtained proposed key terms for refinancing certain of the above facilities, as well as head of terms for a new bilateral loan facility. The Board of Directors approved the proposed refinancing plan and further steps for conclusion of the new loan agreements. The Group expects the refinancing to be completed in due time before maturity of existing loans. These actions, combined with positive cash generations expected during 2018, will provide the necessary headroom for the cover of Group obligations falling due over the next 12 months.

The table below analyses the Company's financial assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year €	Between 1 to 5 years €	Total €
As at 31 December 2017			
Loan receivable from Group companies	83,000,000	721,022,972	804,022,972
Accrued interest income	14,596,638	-	14,596,638
Total assets	**97,596,638**	**721,022,972**	**818,619,610**
Borrowings	69,432,701	851,824,320	921,257,021
Interest payable and other liabilities	13,221,181	-	13,221,181
Total liabilities	**82,653,882**	**851,824,320**	**934,478,202**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

Further details regarding the Company's borrowings are provided in Note 16.

	Less than 1 year	Between 1 to 5 years	Total
	€	€	€
As at 31 December 2016			
Loan receivable from Group companies	296,000,000	684,551,000	980,551,000
Accrued interest income	29,182,521	-	29,182,521
Total assets	**325,182,521**	**684,551,000**	**1,009,733,521**
Borrowings	311,358,311	832,237,504	1,143,595,815
Interest payable and other liabilities	15,295,678	-	15,295,678
Total liabilities	**326,653,989**	**832,237,504**	**1,158,891,493**

The amounts included as borrowings in the table above do not correspond to the balance sheet amounts, as they are contractual (undiscounted) cash flows, which include capital and interest.

(c) Interest rate risk
Interest rate risk exists where assets and liabilities have interest rates set under a different basis or which settle at different dates. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of floating rate assets and floating rate liabilities are similar and by adjusting, if necessary, the interest rate on its financial assets in order to match that of any fixed rate liabilities. At 31 December 2017, the Company had total borrowings amounting to € 798 million out of which € 30 million relate to a syndicated credit facility which bears floating rate equal to EURIBOR plus a margin, and € 768 million of fixed coupons Eurobonds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Interest rate risk (continued)

Re-pricing analysis
The following table indicates the interest rate re-pricing profile of the Company's assets and liabilities.

Assets and liabilities are allocated into time bands according to their re-pricing date for variable interest rate instruments, or according to their maturity date for fixed rate instruments. The re-pricing of the variable interest rate of loan receivables from Group Companies is calculated to match the liabilities so that the company meets its obligations as they fall due.

As at 31 December 2017	**Total** €	**Less than 1 year** €	**Between 1 to 2 years** €	**Between 2 to 5 years** €
Assets				
Loans receivable from Group companies	804,022,972	83,000,000	274,500,000	446,522,972
Accrued interest income	14,596,638	14,596,638	-	-
Total assets	**818,619,610**	**97,596,638**	**274,500,000**	**446,522,972**
Liabilities				
Borrowings	797,691,704	30,000,000	319,763,000	447,928,704
Accrued interest expense	12,935,820	12,935,820	-	-
Total liabilities	**810,627,524**	**42,935,820**	**319,763,000**	**447,928,704**
Total interest sensitivity gap	**7,992,086**	**54,660,818**	**(45,263,000)**	**(1,405,732)**

	Total €	**Less than 1 year** €	**Between 1 to 2 years** €	**Between 2 to 5 years** €
As at 31 December 2016				
Assets				
Loans receivable from Group companies	980,551,000	296,000,000	-	684,551,000
Accrued interest income	29,182,521	29,182,521	-	-
Total assets	**1,009,733,521**	**325,182,521**	-	**684,551,000**
Liabilities				
Borrowings	987,170,047	264,381,000	30,000,000	692,789,047
Accrued interest expense	15,029,177	15,029,177	-	-
Total liabilities	**1,002,199,224**	**279,410,177**	**30,000,000**	**692,789,047**
Total interest sensitivity gap	**7,534,297**	**45,772,344**	**(30,000,000)**	**(8,238,047)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Interest rate risk (continued)

Effective interest rates
The weighted average effective interest rate were as follows:

	2017	2016
Loans receivable		
- US$ floating	-	6.16%
- Euro floating	6,08%	8.53%
Loans payable		
- US$ fixed	-	4.63%
- Euro floating	4,36%	4.33%
- Euro fixed	5,03%	5.86%

Interest rate sensitivity

The Company's sensitivity to interest rates is limited as any changes in interest rates on the loans received are passed directly on to the loans granted to other members of the Group. The directors therefore consider that there would be minimal change in the net profit for the year and net assets attributable to shareholders' equity for the year ended 31 December 2017 should interest rates have moved upwards or downwards by 100bps.

(d)Foreign exchange risk
The Company's foreign currency risk exposure is managed by having back to back currency loans and assets. The Company does not face any significant foreign exchange risk.

(e) Capital risk management
The Company's principal objective when managing capital is to raise financing in the international capital markets for the purpose of funding the activities of the Parent Company and other Group companies in line with the Group's business strategy. In order to maintain or adjust its capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with the industry convention, the Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less "Cash & cash equivalents". Total capital employed is calculated as "Total Equity" as shown in the statement of financial position plus net debt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

(e) Capital risk management (continued)

The gearing ratios at 31 December 2017 and 2016 were as follows:

	2017	2016
	€	€
Total Borrowings (Note 16)	791,489,516	972,559,353
Less: Cash and cash equivalents (Note 14)	(8,511,448)	(334,781)
Net Debt	**782,978,068**	**972,224,572**
Total Equity	22,352,056	22,164,549
Total Capital Employed	**805,330,124**	**994,389,121**
Gearing Ratio	**97.2%**	**97.8%**

The high gearing ratio reflects the nature of the Company's business as a financing vehicle for the Group.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements necessarily requires the exercise of judgement both in the application of accounting policies and in the selection of assumptions used in the calculation of accounting estimates. These judgements are reviewed on an on-going basis and are continually evaluated based on historical experience and other factors. The most significantly affected components of the financial statements and associated critical judgements are as follows:

Effective interest rate method
In calculating the effective interest rate of financial instruments the Company takes into account interest received or paid, fees and commissions paid or received, expected early redemptions and related penalties and premiums and discounts on acquisition or issue that are integral to the yield as well as incremental transaction costs.

The effective yield has been calculated based on the expected life of the Notes issued by the Company.

5. SEGMENTAL REPORTING

The directors consider that there is only one primary business segment, which is the provision of finance for fellow Group companies. The directors consider that the analysis of the results of the Company as disclosed in these financial statements is sufficient for the purposes of reporting the activities.
The Company's revenue is comprised of interest income on the loans provided to the Group companies and is generated entirely in the European Union.

6. INTEREST RECEIVABLE

	2017	2016
	€	€
Interest income on loans (Note 18)	52,132,758	82,382,034
	52,132,758	**82,382,034**

7. INTEREST PAYABLE

	2017	2016
	€	€
Interest expense on borrowings	46,006,385	64,063,103
Amortisation of deferred borrowing cost	5,377,776	9,764,432
	51,384,160	**73,827,535**

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. OTHER (EXPENSES)/INCOME

	2017	2016
	€	€
(Losses) / gains arising on repurchase of bonds (Note 16)	-	(7,875,035)
	-	**(7,875,035)**

9. ADMINISTRATIVE EXPENSES

	2017	2016
	€	€
Professional fees	21,746	21,746
Fees payable to the Company's auditors for the audit of the Company's financial statements	42,000	44,400
Fees for tax services	21,155	11,723
Bank charges	2,333	3,708
Company secretarial fees	29,087	6,405
Consulting fees	230,640	206,700
Legal fees	21,619	961
Other expenses	136,996	8,000
	505,576	**303,643**

The auditors' remuneration for the year ended 31 December 2017 was € 35,000 net of VAT (2016: € 37,000). Non-audit remuneration was nil (€ 2016: 33,000 relating to the Eurobond issuance and is included in unamortised Eurobond fees) (See Note 16).

The Company has no employees and the directors received no remuneration during the year in respect of their services to the company (2016: € nil).

10. NET FOREIGN EXCHANGE (LOSSES)/GAINS

	2017	2016
	€	€
Unrealised gains	-	2,460
Realised gains	1,492	19,263,632
Unrealised losses	-	-
Realised losses	(12,307)	(19,401,769)
	(10,815)	**(135,677)**

Previous year foreign exchange gains relate to loans receivable in US$ and respectively foreign exchange losses relate to the US$ 400 million Eurobond (see Note 16).

11. INCOME TAX EXPENSE

a. **Analysis of the Company's tax charge in the year**

	2017	2016
	€	€
Current tax:		
Current tax on profit for the year	44,700	97,579
Income tax expense in the statement of comprehensive income	**44,700**	**97,579**

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. INCOME TAX EXPENSE (continued)

The standard rate of Corporation Tax in the UK throughout 2017 was 19.25% (2016: effective tax rate 20%).

b. Reconciliation of effective tax rate

The Company's tax for the previous year is higher than the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Company before tax as follows:

	2017 €	2016 €
Profit before tax for the year	232,206	240,144
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19.25% (2016: 20%)	44,700	48,029
Permanent adjustment	-	49,550
Total income tax charge in the statement of comprehensive income	**44,700**	**97,579**

12. LOANS RECEIVABLES

The loans receivable relates to periodic loans granted to companies within the Group. The loans bear interest at various margins over EURIBOR (2016: margin over EURIBOR) (see Note 3 for weighted average effective interest rates).
As at 31 December 2017, the carrying amounts of the loans and receivables between the Group and the Company are denominated in Euro. The fair values of loans and receivables approximate their carrying amount.

13. PREPAYMENTS AND ACCRUED INCOME

	2017 €	2016 €
Accrued interest income	14,596,638	29,182,521
Prepaid Expenses	11,572	6,679
	14,608,210	**29,189,200**

14. CASH AND CASH EQUIVALENTS

	2017 €	2016 €
Cash at Bank	8,511,448	334,781
	8,511,448	**334,781**

15. ORDINARY SHARES

	Numbers of Shares (authorised and issued)	Share Capital €	Total €
As at 1 January & 31 December 2016	6,970,000	10,000,000	10,000,000
As at 31 December 2017	**6,970,000**	**10,000,000**	**10,000,000**

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. ORDINARY SHARES (continued)

The authorised share capital of the Company is split into 6,970,000 ordinary shares of £1 each. The issued share capital consists of 6,970,000 £1 paid ordinary shares.
The issued share capital is reflected in the financial statements based on the prevailing €/£ exchange rate at the time it was issued, which was 1.435.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

16. BORROWINGS

	As at 31 December	
	2017	**2016**
	€	**€**
Non-current borrowings		
Bank borrowings	-	30,000,000
Unamortised bank borrowings fees	-	(365,865)
Eurobond	767,691,704	692,789,047
Unamortised Eurobond fees	(6,084,273)	(12,677,773)
Non-current borrowings	**761,607,431**	**709,745,409**
Current borrowings		
Short term bank borrowings	30,000,000	-
Unamortised bank borrowing fees	(117,915)	-
Eurobond	-	264,381,000
Unamortised Eurobond fees	-	(1,567,056)
Total current borrowings	**29,882,085**	**262,813,944**
Total borrowings	**791,489,516**	**972,559,353**

At 31 December 2017, outstanding borrowings consisted of one syndicated credit facility and Notes issued under Eurobond transactions as described below. The syndicated credit facility and the Notes are guaranteed by the Parent Company.

Syndicated credit facility € 50 million
In July 2014, the Company entered into a new credit facility with a syndicate of Greek and international banks of € 50 million, guaranteed by the Parent Company. The facility had a € 40 million tranche maturing in July 2016 and a €10 million tranche maturing in July 2018. In July 2016, upon maturity of the € 40 million tranche, the Group proceeded with a partial repayment of € 20 million and extended the maturity of the remaining € 20 million to July 2018. As at 31 December 2017, the outstanding loan balance amounted to €30 million (2016: €30 million).

Eurobond € 500 million
On 2 May 2013 the Company signed a subscription agreement for the issuance of € 500 million Notes under an unrated Eurobond transaction maturing in May 2017. The Notes were issued at par on 10 May 2013 and are listed on the Luxembourg Stock Exchange. The Notes bear a fixed coupon rate of 8% paid semi-annually. The notes were partially prepaid in October 2016 with the proceeds of a new Eurobond issue of €375 million five-year Eurobond as detailed below. In May 2017 the outstanding balance of €264 million upon maturity was repaid.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. BORROWINGS (continued)

Eurobond US$ 400 million
On 14 May 2014 the Company signed a subscription agreement for the issuance of US$ 400 million Notes under an unrated Eurobond transaction which matured in May 2016. In May 2016 the Company repaid the $400 million Eurobond upon maturity.

Eurobond € 325 million
On 2 July 2014 the Company signed a subscription agreement for the issuance of € 325 million Notes under an unrated Eurobond transaction. The Notes were issued at 99.5% of par value on 04 July 2014 and are listed on the Luxembourg Stock Exchange. The Notes mature in July 2019 and were redeemable at the option of the Issuer in July 2017. The Notes bear a fixed coupon rate of 5.25% paid semi-annually. During 2014 and 2015 the Company proceeded with open market purchases and subsequent cancellation of a notional amount of € 5,237,000.

Eurobond € 450 million
In October 2016 the Company issued a €375 million five-year 4.875% Eurobond guaranteed by Hellenic Petroleum S.A. with the issue price being 99.453 per cent. of the principal amount. The notes mature in October 2021. The proceeds of the issue were used to repay existing financial indebtedness, including the partial prepayment of the € 500 million Eurobond maturing in May 2017 through a tender offer process which was completed in October 2016 during which notes of nominal value of € 225 million was accepted. In July 2017, the Company issued € 74,53 million guaranteed notes due 14 October 2021, at an offering price of 106%, which were consolidated and form a single series with the € 375 million 4.875% guaranteed notes.

The Company has not experienced any defaults in relation to payment of principal, interest or other breaches with regards to its borrowings in 2017 or as at the signing of these financial statements.

The proceeds of the aforementioned facilities have been used to provide loans to the Parent Company and other members of the Group.

The table below presents the changes in liabilities arising from financing activities for the year ended 31 December 2017.

	1 January 2017	Cash Flows	Other	31 December 2017
Non-current bank borrowings	29.634.135	-	(29.634.135)	-
Non-current Eurobonds	680.111.274	77.775.917	3.720.240	761.607.431
Current bank borrowings	-	-	29.882.085	29.882.085
Current Eurobonds	262.813.944	(264.471.722)	1.657.778	-
Total liabilities from financing activities	**972.559.353**	**(186.695.805)**	**5.625.968**	**791.489.516**

The "Other" column includes the effect of reclassification of non-current portion of bank borrowings to current due to passage of time as well as the amortization of deferred borrowing costs.

The carrying amounts and fair value of Euro denominated Eurobonds are as follows:

	Book value	Fair value
As at December 2017	**€**	**€**
Eurobond € 450m	445,793,578	473,948,470
Eurobond € 325m	315,813,854	329,707,629
Total	**761,607,431**	**803,656,099**
As at December 2016		
Eurobond € 375m	366,634,734	365,318,515
Eurobond € 500m	262,813,944	266,361,932
Eurobond € 325m	313,476,540	315,639,528
Total	**942,925,218**	**947,319,975**

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. BORROWINGS (continued)

The fair value of the remaining borrowings, including their carrying portion, approximates their carrying value, as the effect of discounting is insignificant. The fair values of borrowings are within level 2 (2016: level 2) of the fair value hierarchy.

Banks which have a presence and operations in Greece but are members of a bigger non-Greek banking Group, are classified either as Other Eurozone banks or Non-Eurozone, depending on whether their respective holding group is in a country which has adopted the Euro as its formal currency.

The financial institutions participating in the Company's credit facility are broken down as follows:

	€ 30 million Syndicated loan as at 31 December 2017	€ 30 million Syndicated loan as at 31 December 2016
- Greek	-	-
- Other Eurozone	100%	100%
- Non-Eurozone	-	-

17. INTEREST PAYABLE AND OTHER LIABILITIES

	As at 31 December 2017	2016
	€	€
Accrued interest payable	12,935,820	15,029,177
Other payables	285,361	266,501
	13,221,181	**15,295,678**

18. RELATED PARTY TRANSACTIONS

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 Related Party Disclosures.

During the year the Company provided loans to other members of the Group. At 31 December 2017 and 2016 the following loans were outstanding:

	As at 31 December 2017	2016
	€	€
Hellenic Petroleum S.A. (Parent Company)	721,022,972	854,551,000
Hellenic Petroleum International A.G. (Fellow subsidiary)	75,000,000	75,000,000
Hellenic Fuels and Lubricants I.C. S.A. (Fellow subsidiary)	8,000,000	51,000,000
Total	**804,022,972**	**980,551,000**

Interest charged on these loans during the year amounted to € 52,132,758 (2016: € 82,382,034) of which € 14,596,638 (2016: € 29,182,521) was outstanding at 31 December 2017.

The following table presents the breakdown of interest income from related entities:

	For the year ended 31 December 2017	2016
	€	€
Hellenic Petroleum S.A. (Parent Company)	46,047,627	70,862,663
Hellenic Petroleum International A.G. (Fellow subsidiary)	4,617,521	5,782,478
Hellenic Fuels and Lubricants I.C. S.A. (Fellow subsidiary)	1,467,610	5,736,893
Total	**52,132,758**	**82,382,034**

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RELATED PARTY TRANSACTIONS (continued)

The following table presents all other outstanding payable balances to related parties.

	As at 31 December	
	2017	**2016**
	€	**€**
HELPE International Consulting S.A. (Fellow subsidiary)	115,320	-
Capita Trust Corporate Limited (Company secretary until 19/9/2017)	-	6,679
	115,320	**6,679**

Purchases of administrative services in relation to the Company from related parties are portrayed in the table below:

	For the year ended 31 December	
	2017	**2016**
	€	**€**
HELPE International Consulting S.A. (Fellow subsidiary)	230,640	206,700
Capita Trust Corporate Limited (Company secretary until 19/9/2017)	18,924	6,404
	249,564	**213,104**

As at 31 December 2017 Hellenic Petroleum S.A. owned 6,970,000 shares of the Company.

The smallest and largest group into which the Company is consolidated is Hellenic Petroleum S.A. and is incorporated in Greece. Copies of the financial statements of Hellenic Petroleum S.A. may be obtained from Hellenic Petroleum S.A., Chimarras 8A, Marousi, 15125, Greece or online at the Group's website www.helpe.gr.

The immediate and ultimate parent undertaking and controlling party is Hellenic Petroleum S.A.

19. EVENTS AFTER THE REPORTING PERIOD

No material events took place after the end of the reporting period and up to the date of approval of the financial statements by the board of directors.