

**Hellenic Petroleum International AG,
Vienna**

**Long-form Audit Report
on the Financial Statements
as of December 31, 2010
(Translation)**

We draw attention to the fact that the English translation of this long-form audit report according to Section 273 of the Austrian Commercial Code (UGB) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

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To the
Management Board and the
Members of the Supervisory Board of
Hellenic Petroleum International AG
Wagramer Straße 19/19
1220 Vienna

**LONG-FORM AUDIT REPORT ON THE
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2010
(TRANSLATION)**

1. Engagement and Performance

At the ordinary general meeting dated August 30, 2010 of Hellenic Petroleum International AG, Vienna, we were elected as auditor for the fiscal year 2010. Prior to our appointment as auditor, we issued a declaration on our independence pursuant to Section 270 UGB. The Company, represented by the supervisory board, concluded an audit contract with us to audit the financial statements as of December 31, 2010, including the accounting system, and the directors' report pursuant to Sections 269 ff. UGB.

The Company is a small corporation pursuant to Section 221 UGB. This audit is statutory pursuant to Section 268 UGB.

Responsible for the proper performance of the engagement is Mr. Felix Wirth, Austrian Certified Public Accountant.

The objective of the audit was to examine compliance with legal requirements and with the additional provisions of the Company's articles of association. The directors' report is to be audited as to whether it is consistent with the financial statements and whether the other disclosures in the directors' report do not give rise to a misstatement of the Company's financial position.

In performing the audit, we adhered to the applicable legal provisions and the relevant expert opinions and standards. We draw attention to the fact that the audit provides adequate assurance as to whether the financial statements are free from material misstatement. Absolute assurance cannot be achieved, since the possibility of errors is inherent in each accounting and internal control system and since the audit is based on samples, there is an unavoidable risk that material misstatements in the financial statements are not detected. The accounting, the records, inventory listings, as well as the financial statements including the directors' report as of December 31, 2010 provided by the Company served as the basis for our audit.

We performed the audit, with interruptions, from March to September 2011 in Vienna. The audit was concluded by the date of this report.

Our audit is based on the audit contract concluded with the Company, an integral part of which are the General Conditions of Contract for the Public Accounting Professions ("AAB") issued by the Austrian Chamber of Public Accountants and Tax Advisors on March 8, 2000, last amended on March 22, 2010 (refer to Appendix 5). These General Conditions of Contract do not only apply between the Company and the auditor, but also towards third parties. Section 275 UGB applies with regard to our responsibility and liability as auditor towards the Company and towards third parties.

2. Notes on and Disclosure of Material Items in the Financial Statements

All required disclosures of material items in the balance sheet and income statement are included in the notes to the financial statements and in the directors' report. We therefore refer you to the related disclosures by the management board in the notes to the financial statements and in the directors' report.

In the following, further disclosures of material items are presented. The numbering corresponds to that of the balance sheet.

A. Fixed assets

Financial assets

1. Shares in affiliated companies

EUR 554,634,044.83
12/31/2009: EUR 599,501,285.86

Company	Share	Acquisition cost	Book value
	%	EUR	EUR
Jugopetrol AD Kotor, Montenegro	54,35	65,000,279.00	36,800,000.00
Hellenic Petroleum Cyprus Ltd, Cyprus	100,00	112,015,362.21	112,015,362.21
Hellenic Petroleum International Consulting S.A., Greece	99,00	60,000.00	60,000.00
Hellenic Petroleum Georgia (Holdings) Limited, Cyprus	100,00	3,450,000.00	3,450,000.00
Hellenic Petroleum Serbia (Holdings) Limited, Cyprus	100,00	40,149,990.00	40,149,990.00
Hellenic Petroleum Bulgaria (Holdings) Limited, Cyprus	100,00	27,331,928.65	27,331,928.65
Hellenic Fuels S.A., Greece	100,00	326,826,763.97	326,826,763.97
R.A.M. Oil Cyprus Limited, Cyprus	100,00	8,000,000.00	8,000,000.00
		582,834,323.83	554,634,044.83

Development:	EUR	EUR
Balance 1/1/2010		599,501,285.86
Additions:		
Hellenic Petroleum Serbia (Holdings) Limited, Cyprus	4,999,995.00	
Disposals:		
Hellenic Fuels S.A., Greece	<u>-49,867,236.03</u>	<u>-44,867,241.03</u>
Balance 12/31/2010		<u>554,634,044.83</u>

Additions:

In the financial year 2010, an amount of EUR 4,999,995 was capitalized on the investment in Hellenic Petroleum Serbia (Holdings) Limited, Cyprus. 165 new shares were issued against payment of a total issue price of EUR 4,999,995.

By purchase agreement dated December 10, 2009, Hellenic Petroleum International AG, Vienna, acquired 100% of the shares in BP Hellas SA Oil Trading, Greece, for EUR 376,694,000. By resolution dated December 30, 2009, the company was renamed to Hellenic Fuels S.A., Greece. Disposals of EUR 49,867,236.03 in fiscal year 2010 are due to a contractually agreed reduction of the purchase price.

2. Participating interests

	EUR	40,521,000.00
12/31/2009:	EUR	24,591,000.00

	Share	Acquisition cost	Book value
	%	EUR	EUR
ELPEDISON B.V., Amsterdam, Netherlands	45.0	40,521,000.00	40,521,000.00

Development:	EUR
Balance 1/1/2010	24,591,000.00
Addition capital contribution	15,930,000.00
Balance 12/31/2010	<u>40,521,000.00</u>

In the fiscal year 2010, a capital contribution was made in the amount of EUR 35,400,000, of which Hellenic Petroleum International AG, Vienna, contributed an amount proportionate to its share of EUR 15,930,000.

3. Audit Summary

3.1. Report on the Compliance of the Accounting, the Financial Statements and the Directors' Report

In performing our audit, we established the compliance with statutory provisions and generally accepted **accounting** principles.

Under our risk and control oriented audit approach, we included in the audit - where we considered it necessary for our audit report - the internal controls in parts of the accounting process.

With regard to the legal compliance of the **financial statements**, we refer to our comments in the auditor's report.

In our final assessment, the **directors' report** complies with the statutory provisions.

3.2. Information Provided

We were allowed to inspect the Company's documents, contracts and correspondence. All the information required was provided by the management board and by the respective operative employees. A letter of representation signed by the management board has been included in our working papers.

3.3. Adverse Changes in the Financial Position, Financial Performance and Cash Flows and Significant Losses

The following adverse changes in the financial position, financial performance and cash flows year-on-year or losses which significantly affect the annual result were noted:

The income statement for the fiscal year 2010 shows a net loss for the year of EUR 2,994 k. Compared to the net income for the year of EUR 662 k in the prior year, it decreased by EUR 3,656 k, which is mainly the result of increased interest cost relating to affiliated companies (+ EUR 6,343 k) and increased income from participating interests from affiliated companies (+ EUR 2,717 k).

At the balance sheet date December 31, 2010, there is no risk for going concern. Despite the net loss for the year 2010 of EUR 2,993 k, the Company's equity at the balance sheet date is EUR 280,856 k.

3.4. Statement on Matters Pursuant to Section 273 (2) and (3) UGB

In performing our duties as auditor, we have not established any facts that might endanger the audited company's position as a going concern or adversely affect its future development, nor that would constitute a serious breach of the law or of the Company's articles of association by management or employees. Material weaknesses in the internal control of the accounting process have not come to our attention. The criteria for assuming a reorganization requirement (Section 22 (1) No. 1 URG (Austrian Reorganization Act)) are not met.

Contrary to the statutory provisions (Section 94 (3) AktG requires one meeting per quarter), supervisory board meetings were not held in each quarter of the fiscal year 2010.

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4. Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system, of Hellenic Petroleum International AG, Vienna, for the fiscal year from January 1 to December 31, 2010. These financial statements comprise the balance sheet as of December 31, 2010, the income statement for the fiscal year ended December 31, 2010, and the notes.

Management's Responsibility for the Financial Statements and for the Accounting System

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of December 31, 2010 and of its financial performance for the fiscal year from January 1 to December 31, 2010 in accordance with Austrian Generally Accepted Accounting Principles.

Comments on the Directors' Report

Pursuant to statutory provisions, the directors' report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the directors' report is consistent with the financial statements.

In our opinion, the directors' report is consistent with the financial statements.

Vienna, September 14, 2011

PwC INTER-TREUHAND GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

signed:

Mag. Werner Krumm
Austrian Certified Public Accountant

signed:

Mag. Felix Wirth
Austrian Certified Public Accountant

Disclosure, publication and duplication of the financial statements together with the auditor's report according to Section 281 (2) UGB in a form not in accordance with statutory requirements and differing from the version audited by us is not permitted. Reference to our audit may not be made without prior written permission from us.

A P P E N D I C E S

**Balance sheet as of December 31, 2010
(Translation)**

Assets**Shareholder's equity and liabilities**

	12/31/2010	12/31/2009		12/31/2010	12/31/2009
	EUR	EUR '000		EUR	EUR '000
A. Fixed assets			A. Shareholder's equity		
Financial assets			I. Share capital	70,000.00	70
1. Shares in affiliated companies	554,634,044.83	599,501	II. Capital reserves		
2. Participating interests	40,521,000.00	24,591	Unappropriated	196,167,286.60	196,167
	595,155,044.83	624,092	III. Earnings reserves		
			Statutory reserves	7,000.00	7
B. Current assets			IV. Unappropriated retained earnings, thereof prior period	84,611,925.18	87,606
I. Receivables and other assets			unappropriated retained earnings brought forward		
Other assets	18,683.76	14	EUR 87,605,610.14 (prior year: EUR 86,944 k)		
				280,856,211.78	283,850
II. Bank balances	36,613.76	91	B. Accruals		
	55,297.52	105	Other accruals	26,560.00	15
			C. Accounts payable		
			1. Trade payables	4,596.18	88
			2. Payables to affiliated companies	314,322,974.39	340,244
			3. Other liabilities	0.00	0
				314,327,570.57	340,332
	595,210,342.35	624,197		595,210,342.35	624,197
			Contingent liabilities	0.00	123,500

Vienna, September 14, 2011

The Management Board:

signed:

Georgoudas Nikolaos

signed:

Alexopoulos George

signed:

Daveros Panagiotis

signed:

Papaconstantinou Victor

**Income statement for the fiscal year 2010
(Translation)**

	2010	2009
	EUR	EUR '000
1. Other operating income		
a) Income from the reversal of accruals	0.00	0
b) Other	0.00	22
	0.00	22
2. Other operating expenses		
Other	-180,270.43	-656
3. Subtotal of lines 1 to 2 (Operating result)	-180,270.43	-634
4. Income from participating interests, of which from affiliated companies EUR 4,348,000 (prior year: EUR 1,631 k)	4,348,000.00	1,631
5. Other interest and similar income	101,586.67	341
6. Interest and similar expenses, of which relating to affiliated companies EUR 6,871,689.25 (prior year: EUR 529 k)	-6,871,689.25	-529
8. Subtotal of lines 4 to 6 (Financial result)	-2,422,102.58	1,443
8. Net operating loss/income	-2,602,373.01	809
9. Taxes on income	-391,311.95	-147
10. Net loss/Net income for the year	-2,993,684.96	662
11. Prior period unappropriated retained earnings brought forward	87,605,610.14	86,944
12. Unappropriated retained earnings	84,611,925.18	87,606

Vienna, September 14, 2011

The Management Board:

signed:

Georgoudas Nikolaos

signed:

Alexopoulos George

signed:

Daveros Panagiotis

signed:

Papaconstantinou Victor

Annual Report 2010 - Notes to the balance sheet**I. General information on the accounting and valuation methods**

- The annual balance sheet of 31 December 2010 was prepared in compliance with the Third Book of the Austrian Commercial Code (UGB) and under consideration of the principles of orderly accounting and balancing. Besides the government-required details in the balance sheet, the income statement and the notes to the financial statements, no further information is required for the financial statements to give a true and fair view of the financial position, financial performance and financial results of the Company (Art. 222 Para. 2 and Art. 236 first sentence of the Austrian Commercial Code (UGB)).
- With regard to recognition and measurement, the Company has followed the generally accepted accounting principles, particularly the going concern principle. In accordance with the principle of prudence, identifiable risks and imminent losses, resulting from events before the balance sheet date, were recognised within the reporting period, whereas accrued income is only recognised if realized before the date of the balance sheet. Assets and liabilities were measured separately and were not netted against each other. The principles of completeness and objectivity were respected. There were no deviations from accounting policies and valuation methods followed during the previous period (Art. 236 Z 1 Austrian Commercial Code (UGB)).
- The structure of the balance sheet and the income statement complies with the legal regulations, particularly articles 224 and 231 of the Austrian Commercial Code (UGB). The income statement was agreed to the underlying books and records. There were no differences in presentation compared to the previous year (Art. 223 Para. 1 Austrian Commercial Code (UGB)).
- In the reporting year, no changes were made with regard to assets and liabilities or adjustments of prior year amounts (Art. 223 Para. 2 Austrian Commercial Code (UGB)).
- There is no need for different classification in the annual financial statements, since the company does not operate in different segments (Art. 223 Para. 3 Austrian Commercial Code (UGB)).
- During the preparation of the annual financial statements all accounting policies and regulations have been met and no accounting conveniences were used.

II. Notes to the balance sheet

- Balance sheet items denominated in foreign currencies are translated at the purchase rate. Receivables are translated using exchange rates no greater than the year-end foreign exchange bid price, whereas liabilities are translated using exchange rates not lower than the year-end foreign exchange ask price (Article 237 Z 2 Austrian Commercial Code (UGB)).
- The financial assets are measured using the purchase price. In case the fair value at the balance sheet date is lower than the purchase price, financial assets are measured at fair value, even if the decrease in value is only temporary. There is no further information in the notes to the financial statements required (Art. 237a Para. 1 Z 2 Austrian Commercial Code (UGB)). In 2008, the management decided not to appreciate the value of the investment in Jugopetrol AD Kotor because of the uncertain economic environment.
- The movement of the different items of the non-current assets and the listing of the provision for impairment (Art. 226 Para. 1 Austrian Commercial Code (UGB)) is shown as below:

	Cost 2010-01-01 2010-12-31	Additions Transfer	Disposals Transfer	Impairment accumulated 2010-01-01 2010-12-31	Book value 2010-01-01 2010-12-31	Impairment Revaluation
A. Non-current Assets						
I. Financial Assets						
1. Investments in subsidiaries	627.701.564,86 582.834.323,83	4.999.995,00 0,00	-49.867.236,03 0,00	28.200.279,00 28.200.279,00	599.501.285,86 554.634.044,83	0,00 0,00
2. Investments in associates and joint ventures	24.591.000,00 40.521.000,00	15.930.000,00 0,00	0,00 0,00	0,00 0,00	24.591.000,00 40.521.000,00	0,00 0,00
Total	652.292.564,86 623.355.323,83	20.929.995,00 0,00	-49.867.236,03 0,00	28.200.279,00 28.200.279,00	624.092.285,86 595.155.044,83	0,00 0,00

- The receivables are shown at cost. Neither individual value adjustments nor flat-rate value adjustments were undertaken. The following table shows the remaining life of the receivables in the balance sheet.

	<u>Total amount</u>	<u>thereof maturity up to 1 year</u>
Other receivables and assets	18.683,76	18.683,76
PY	<u>14.145,98</u>	<u>14.145,98</u>

- The unclaimed outstanding paid-in capital stock according to Art. 229 Para. 1 Austrian Commercial Code (UGB)) is EUR 0,00.

The capital stock amounts to EUR 70.000,00 and is fully paid in. There are 70.000 bearer stocks with a nominal value of EUR 1,00 (Art. 240 Z 1 Austrian Commercial Code (UGB)).

- Provisions were made under the principles of prudence and orderly accounting. The following provisions have developed as shown below:

	<u>Status 2010-01-01</u>	<u>Utilized</u>	<u>Charged</u>	<u>Status 2010-12-31</u>
Other provisions				
Miscellaneous accruals	<u>14.624,00</u>	<u>14.624,00</u>	<u>26.560,00</u>	<u>26.560,00</u>

- The liabilities were evaluated at the redemption amount (Art. 237 Z 1 related to Art. 242 Para. 2 Austrian Commercial Code (UGB)). The following table explains the maturity of the liabilities shown in the balance sheet:

	Total amount	thereof maturity up to 1 year
Liabilities arising from deliveries and services	4.596,18	4.596,18
PY	88.753,46	88.753,46
Liabilities to affiliated undertakings	314.322.974,39	314.322.974,39
PY	340.243.824,93	340.243.824,93
thereof arising from others	314.322.974,39	314.322.974,39
PY	340.243.824,93	340.243.824,93
Other liabilities	0,00	0,00
PY	2,22	2,22
thereof taxes	0,00	0,00
PY	2,22	2,22
Sum Payables	314.327.570,57	314.327.570,57
PY	340.332.580,61	340.332.580,61

- The contingent liabilities in the amount of EUR 123.500.000,00 in the previous year were counter guarantees in favor of Elpedison B.V. One of the counter guarantees in the amount of EUR 26.000.000,00 was against Edison International Holding N.V., the other one in the amount of EUR 97.500.000,00 against EFG Eurobank Ergasias S.A. and Agricultural Bank of Greece S.A.
- The income statement 2010 shows income from equity holdings in the amount of EUR 4.348.000,00 from Jugopetrol Montenegro.

III. Taxes on income and revenue

- Net operating income was affected by EUR 391.311,95 in taxes on income and revenue.

IV. Other mandatory disclosures

- Shares and other investments (Art. 238 Z 2 Austrian Commercial Code (UGB)):

Shares in affiliated companies

Name	Share in the capital	Equity (in million €)	Result for the year (in million €)
Jugopetrol AD Kotor, Montenegro	54,35 %	83,17	8,10
Hellenic Petroleum Cyprus Ltd, Zypern	100 %	47,52	10,11
Hellenic Petroleum International Consulting S.A., Griechenland	99 %	0,18	0,14
Hellenic Petroleum Georgia (Holdings) Limited, Zypern	100 %	3,42	- 0,002
Hellenic Petroleum Serbia (Holdings) Limited, Zypern	100 %	40,20	- 0,003
Hellenic Petroleum Bulgaria (Holdings) Limited, Zypern	100 %	26,04	- 0,229
R.A.M. Oil Cyprus Limited, Zypern	100 %	9,17	1,04
Hellenic Fuels SA, Griechenland	100 %	213,90	- 18,95

Figures according to IFRS financial statements 2010

Participating interests

ELPEDISON B.V., Netherlands	45 %	-	-
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- The company has no derivative financial instruments (Art. 237a Para. 1. Z 2 Austrian Commercial Code (UGB)).

- The company is a 100% subsidiary of Hellenic Petroleum S.A., Athens, Greece. Therefore, its financial statements, together with the financial statements of its subsidiaries are included in the consolidated financial statements of Hellenic Petroleum S.A.
- Hellenic Petroleum S.A., Athens, Greece prepares consolidated financial statements for the entire group. The consolidated financial statements are published in Greece (Art. 237 Z 12 Austrian Commercial Code (UGB)).
- Small corporations do not have to disclose the expenses for the auditor (Art. 242 Para. 1 Austrian Commercial Code (UGB)).
- During the fiscal year, the company had no employees (Art. 239 Para. 1 Z 1 Austrian Commercial Code (UGB)).
- During the fiscal year the following persons were members of the executive board and the supervisory board (Art. 239 Para. 2 Austrian Commercial Code (UGB)).

Members of the executive board:

Rizakos Apostolos (until 14th February 2011; entered on 19th March 2011)

Alexopoulos George (since 5th November 2007)

Tikkas Pantelis (until 14th February 2011; entered on 19th March 2011)

Georgoudas Nikolaos (since 26th November 2009)

Daveros Panagiotis (since 14th February 2011)

Papaconstantinou Victor (since 14th February 2011)

Members of the supervisory board:

Costopoulos John, Chairman

Shiamishis Andreas, Deputy Chairman

Myrianthis Michail, Member (until 22nd March 2011)

Apsouris Ioannis, Member (since 22nd March 2011)

Vienna, 14th September 2011

Members of the executive board:

Georgoudas Nikolaos

Daveros Panagiotis

Alexopoulos George

Papaconstantinou Victor

Directors' report 2010 of Hellenic Petroleum International AG

I. Presentation and Analysis of Business Performance and Trading Results 2010

Hellenic Petroleum International AG's sole shareholder is Hellenic Petroleum SA (HEP), domiciled in Greece. Hellenic Petroleum International AG (HPI) is a holding company with no operations, whose activity is to manage investments in financial assets (subsidiaries and joint ventures).

No new significant acquisitions or divestments took place in 2010

In the year 2010, the annual loss amounts to € -2.993.684,96 and results mainly from interest payments. After consideration of the profit carried forward, which is € 87.605.610,14, the net profit amounts to € 84.611.925,18.

In 2010, no dividends were paid out or approved.

HPI employed no personnel during 2010.

During the financial year ended 31 December 2010, no expenditure for research and development was incurred.

The Company has no branches.

Hellenic Petroleum Cyprus Ltd ("HPC") undertakes fuel retail and wholesale operations in Cyprus and is 100% owned by HPI. Its performance in 2010 was slightly weaker compared to the previous year, with profits after tax for 2010 being 14% lower compared to 2009. The trend reflects the general condition of the Cypriot market, which continued to be affected by the global economic trends, especially in the commercial and industrial segments. However, in 2010 HPC improved its market share compared to its competitors and confirmed its position as the leader in the Cypriot retail and wholesale fuels market. This is expected to be maintained in the future, as the company maintains its focus on marketing efforts and efficiency improvement.

R.A.M. Oil Cyprus Ltd, which commenced operations on 1 December 2009, is a 100% subsidiary of HPI and manages COMO retail petrol stations as well as the Marine and Aviation fuel business in Cyprus. It had positive operating results in 2010, broadly in line with budget. R.A.M. Oil is affected by the same external factors as HPC, but its continuing efforts on new business development are expected to improve its performance in the future.

Jugopetrol AD Kotor (JPK) is a 54,35% subsidiary of HPI and the leader in the Montenegrin fuels' market. JPK's 2010 profits after tax were more than 15 times those of 2009, which however were impacted by a one-off charge towards the cost of a voluntary retirement scheme. The company's continuing cash generating capacity allowed it to pay dividends twice during 2010, resulting to a net dividend income for HPI of € 3.96m. JPK is expected to maintain its dominant position in its domestic market.

Hellenic Petroleum Georgia (Holdings) Ltd (HPG), a 100% subsidiary of HPI as of 31 December 2010, held 99% of EKO Georgia Ltd shares. EKO Georgia was a well-established and profitable fuels' company in the Republic of Georgia. HPG was a holding company with no operations, which in 2010 recorded a minor loss, generated by its administrative expenses.

Hellenic Petroleum Serbia (Holdings) Ltd (HPS), a 100% subsidiary of HPI, acquired in 2007 EKO YU AD Beograd, a fuel marketing company in the Republic of Serbia. HPS is a holding company and has no operations or staff. No material change in its status is expected in the future. In the year 2010 HPS recorded a minor loss, incurred by its administrative expenses.

During the year 2010, HPI subscribed to a 4.999.995 € share capital increase in HPS, following a decision of HPS' Board of Directors dated 6 May 2010. The capital increase was paid in full on 18 May 2010 and was used for the further increase of the share capital of EKO YU AD Beograd.

Hellenic Petroleum Bulgaria (Holdings) Ltd (HPB), a 100% subsidiary of HPI, is the owner of 100% of the shares of EKO Bulgaria EAD since 2007, as well as 100% of the shares of Hellenic Petroleum Bulgaria Properties EAD since 2008. Both companies operate in the retail and wholesale fuel market in the Republic of Bulgaria. HPB is a holding company and has no operations. In 2010, it recorded a loss of € 229k, of which € 12k represented its administrative expenses, while the remaining € 217k were interest expenses.

Hellenic Petroleum International Consulting S.A. (HPIC) is a Greek registered company and 99% subsidiary of HPI. It employs personnel and provides consulting and other supporting services to the other HPI group companies. In 2010 HPIC recorded profit after tax of € 124k, compared to a profit of € 19k in 2009.

HPI participates by 45% in the share capital of Elpedison B.V. since 2008 (initial investment in 2007). Elpedison B.V. is a joint-venture company between Hellenic Petroleum Group (Hellenic Petroleum SA directly owns 5% of the JV company) and Edison Group. Elpedison B.V. is a holding company which owns 75.78% of the shares in Elpedison Power SA and 100% of Elpedison Trading SA, both companies registered in Greece. The establishment of Elpedison B.V. and the merger of Elpedison Power (previously 100% owned by HEP Group) with Thisvi Power Generation (previously 65% owned by Edison Group) was completed on 9 September 2009, in line with the joint venture agreement between Hellenic Petroleum S.A. and Edison SpA

of 3 July 2008.

Elpedison Power owns and operates a 390 MW CCGT power plant in Thessaloniki, Greece, and a 420 MW CCGT power plant in Thisvi, Greece. Elpedison Trading is active in cross-border power trading, retail sales of electricity in Greece, as well as the provision of energy management services.

Elpedison B.V. prepared consolidated financial statements for the first time in 2010, while for the years ending 31 December 2008 and 2009 it prepared only company financial statements, on the basis of the small-company exemption rule applicable at the time. For the year ending 31 December 2010, Elpedison B.V. recorded a consolidated net loss of €3.3m. The outlook for the group for 2011 is positive, given the commercial actions in progress, the doubling of capacity at the end of 2010 thanks to the completion of the Thisvi plant and the experience gained by the group in 2010, despite the expectations for slightly lower electricity power demand in Greece compared to 2010.

Following the decision by Elpedison B.V. General Assembly in March 2010, HPI participated with €15.93m in the share premium contribution to the capital of the former.

Hellenic Fuels S.A. ("HF"), the former BP Hellas S.A., was acquired by HPI on 10 December 2009. It comprises the commercial activities in Greece of the former BP Hellas, excluding aviation fuels, lubricants and the solar business. The transferred commercial activities include a service station network, storage facilities, as well as the commercial and industrial supply business. The acquired company will retain the BP brand in the service station network in Greece for a period of at least five years with the option to extend.

For the year ending 31 December 2010, HF recorded a net loss of €18.9m, compared to a net loss of €1.5m in 2009, which represents a significant deterioration. It reflects the general economic situation in Greece. Market conditions are not expected to improve in 2011.

II. Early Risk Detection and Risk Management System

The risk policy of HPI aims at the exploitation of given opportunities, whereas risks are only taken if there is a chance of value in return.

Liquidity risk is very low, since HPI participates in the Hellenic Petroleum Group financing management scheme.

Risk management of HPI is integrated in the management of the entity and the organisation of its business processes as an integral part.

III. Financial Instruments

In the preceding financial year, the company did not use derivative financial instruments. Assuming the unrealistic case of liquidity problems, HPI would address its parent company Hellenic Petroleum S.A. for hedging.

IV. Financial Performance Indicators

The equity ratio for the fiscal year 2010 was 47,2%, representing a significant increase compared to the previous year (45,5%), following repayments of the loan for the acquisition of Hellenic Fuels.

Performance figures (in EUR '000, %) are shown below:

	2010	2009
EBIT	-180	-634
Net operating loss/income	-2.602	809
ROE (return on equity)	-0,93	0,29

Compared to the previous year, the performance figures have changed, as in 2010 a loss was incurred due to high interest payments.

The gross cash flow is € - 2.602k (PY: € 809k), the cash flow from operating activities is € - 3.069k (PY: € 65.962k), the cash flow from investment activities is € 28.937k (PY: € - 389.864k), the cash flow from financing activities is € - 25.921k (PY: € 323.788k). The cash flow statement was computed according to the KFS/BW 2 (expert opinion of the Board of Experts on Business Management within the Austrian Chamber of Public Accountants).

V. Preview and Forecast

The main activity of Hellenic Petroleum International AG for the business year 2011 will be the administration of its investments.

VI. Significant Events after the Balance Sheet Date

HPG shares were sold in July 2011, as a result HEP Group disposed of its operations in Georgia. There were no other significant events after 31 December 2010 and until these financial statements were prepared.

Vienna, 14th September 2011

Members of the executive board:

Georgoudas Nikolaos

Daveros Panagiotis

Alexopoulos George

Papaconstantinou Victor



General Conditions of Contract for the Public Accounting Professions (AAB 2010)

Laid down by the Working Group for Fees and Conditions of Contract of the Chamber of Public Accountants and Tax Advisors, recommended for use by the Board of the Chamber of Public Accountants and Tax Advisors in its decision of March 8, 2000, and revised by the Working Group for Fees and Conditions of Contract on May 23, 2002, on October 21, 2004, on December 18, 2006, on August 31, 2007, on February 26, 2008, on June 30, 2009 as well as on March 22, 2010

Preamble and General Points

(1) The General Conditions of Contract for the professions in the field of public accounting are divided into four sections: Section I deals with contracts for services, excluding contracts concerning bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions; Section II deals with contracts for rendering services in the field of bookkeeping, payroll accounting and administration and assessment of taxes and contributions; Section III covers contracts not regarded as contracts for the rendering of services, while Section IV is devoted to consumer business covered by the Austrian Consumer Act.

(2) In the event that individual provisions of these General Conditions of Contract are void, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a valid provision that is as close as possible to the desired objective.

(3) The person entitled to exercise profession in the field of public accounting shall be obliged to render the services negotiated in accordance with the principles of due professional care and conduct. He/she shall have the right to engage suitable staff for the execution of the contract. This shall apply to all sections of The General Conditions of Contract.

(4) Finally, foreign law shall only be taken into account by the person entitled to exercise the profession, if this has been explicitly agreed upon in writing. This shall apply to all sections of the General Conditions of Contract.

(5) The work prepared in the offices of the person entitled to exercise the profession may, at the discretion of the person entitled to exercise the profession, be carried out with or without using electronic data processing. In case electronic data processing is used, the client – not the person entitled to exercise the profession – is obliged to effect the registrations or notifications required under the relevant provisions of the Data Protection Act.

(6) The client undertakes not to employ staff of the person entitled to exercise the profession during and within one year after termination of the contractual relationship, either in his/her company or in an associated company, failing which he/she shall be obliged to pay the person entitled to exercise the profession the amount of the annual salary of the employee taken over.

SECTION I

1. Scope

(1) The General Conditions of Contract in Section I shall apply to contracts concerning (statutory and voluntary) audits with or without auditor's certificate, expert opinions, court expert opinions, preparation of annual financial statements and other financial statements, tax consultancy and other services to be rendered within the framework of a contract for the rendering of services, excluding bookkeeping, payroll accounting and the administration and assessment of payroll-related taxes and contributions.

(2) The General Conditions of Contract shall apply, if their use has been explicitly or tacitly agreed upon. Furthermore, in the absence of another agreement, they shall be used for reference to facilitate interpretation.

(3) Point 8 shall also apply to third parties whose services, in certain cases, may be enlisted by the contractor for the execution of the contract.

2. Scope and Execution of Contract

(1) Reference shall be made to Items 3 and 4 of the Preamble.

(2) Should the legal situation change subsequent to delivering a final professional statement, the person entitled to exercise the profession shall not be obliged to inform the client of changes or of the consequences thereof. This shall also apply to the completed parts of a contract.

(3) An application submitted by the person entitled to exercise the profession to an authority (e.g. tax office, social security institution) by electronic means, shall be regarded as neither signed by the person entitled to exercise the profession nor by the person authorized to submit such an application.

3. Client's Obligation to Provide Information and Submit Complete Set of Documents

(1) The client shall make sure that all documents required for the execution of the contract be placed in good time and without special request at the disposal of the person entitled to exercise the profession and that he/she be informed of all events and circumstances which may be of significance for the execution of the contract. This shall also apply to documents, events and circumstances which become known only after the person entitled to exercise the profession has commenced his/her work.

(2) The client shall confirm in writing that all documents submitted, all information provided and explanations given in the context of audits, expert opinions and expert services are complete. This statement may be made on the forms specifically designed for this purpose.

(3) If the client fails to disclose considerable risks in connection with the preparation of annual financial statements and other statements, the contractor shall not be obliged to render any compensation in this respect.

4. Maintenance of Independence

(1) The client shall be obliged to take all measures to make sure that the independence of the employees of the person entitled to exercise the profession be maintained and shall refrain from jeopardizing their independence in any way. In particular, this shall apply to offers of employment and to offers to accept contracts on their own account.

(2) The client consents that their personal details, meaning their name and the type and scope of the services, including the performance period, agreed between the professional practitioner and the client (both audit and non-audit services), shall be handled within the information network (network), to which the professional practitioner belongs, and for this purpose transferred to the other members of the information network (network) including abroad (a list of all recipients of communications shall be sent to the client at their request by the commissioned professional practitioner) for the purpose of examination of the existence of grounds of bias or grounds for exclusion within the meaning of Sections 271 et seq. of the Company Code (UGB). For this purpose the client expressly releases the professional practitioner in accordance with the Data Protection Act and in accordance with Section 91 Subsection 4 Clause 2 of the Auditing, Tax Advising and Related Professions Act (WTBG) from their obligation to maintain secrecy. Moreover, the client acknowledges in this regard that in states which are not EU members a lower level of data protection than in the EU may prevail. The client can revoke this consent at any time in writing to the professional practitioner.

5. Reporting Requirements

(1) In the absence of an agreement to the contrary, a written report shall be drawn up in the case of audits and expert opinions.

(2) All information and opinions of the person entitled to exercise the profession and his employees shall only be binding provided they are set

down or confirmed in writing. Written opinions shall only be those on which there is a company signature. Written opinions shall in no circumstances be information sent electronically, specifically not via e-mail.

(3) Transmission errors cannot be excluded when information and data is transmitted electronically. The person entitled to exercise the profession and his employees shall not be liable for losses which arise as a result of electronic transmission. Electronic transmission shall be exclusively at the client's risk. The client is aware that confidentiality is not guaranteed when the Internet is used. Furthermore, amendments or supplements to documents transmitted shall only be permissible subject to explicit approval.

(4) Receipt and forwarding of information to the person entitled to exercise the profession and his employees are not always guaranteed when the telephone is used, in particular in conjunction with automatic telephone answering systems, fax, e-mail and other electronic means of communication. As a result, instructions and important information shall only be deemed to have been received by the person entitled to exercise the profession provided they are also received in writing, unless explicit confirmation of receipt is provided in individual instances. Automatic confirmation that items have been transmitted and read shall not as such constitute explicit confirmations of receipt. This shall apply in particular to the transmission of decisions and other information relating to deadlines. As a result, critical and important notifications must be sent to the person entitled to exercise the profession by post or courier. Delivery of documents to employees outside the firm's offices shall not count as delivery.

(5) The client agrees to being sent recurrent general tax law and general commercial law information by the person entitled to exercise the profession via electronic means. This shall not apply to unsolicited information in accordance with § 107 of the Austrian Telecommunications Act (TKG).

6. Protection of Intellectual Property of the Person Entitled to Exercise the Profession

(1) The client shall be obliged to ensure that reports, expert opinions, organizational plans, drafts, drawings, calculations and the like, issued by the person entitled to exercise the profession, be used only for the purpose specified in the contract (e.g. pursuant to Section 44 Para. 3 Austrian Income Tax Act 1988). Furthermore, professional statements made by the person entitled to exercise the profession may be passed on to a third party for use only with the written consent of the person entitled to exercise the profession.

(2) The use of professional statements made by the person entitled to exercise the profession for promotional purposes shall not be permitted; a violation of this provision shall give the person entitled to exercise the profession the right to terminate without notice to the client all contracts not yet executed.

(3) The person entitled to exercise the profession shall retain the copyright on his/her work. Permission to use the work shall be subject to the written consent by the person entitled to exercise the profession.

7. Correction of Errors

(1) The person entitled to exercise the profession shall have the right and shall be obliged to correct all errors and inaccuracies in his/her professional statement which subsequently come to light and shall be obliged to inform the client thereof without delay. He/she shall also have the right to inform a third party acquainted with the original statement of the change.

(2) The client has the right to have all errors corrected free of charge, if the contractor can be held responsible for them; this right will expire six months after completion of the services rendered by the person entitled to exercise the profession and/or – in cases where a written statement has not been delivered – six months after the person entitled to exercise the profession has completed the work that gives cause to complaint.

(3) If the contractor fails to correct errors which have come to light, the client shall have the right to demand a reduction in price. The extent to which additional claims for damages can be asserted is stipulated under Point 8.

8. Liability

(1) The person entitled to exercise the profession shall only be liable for violating intentionally or by gross negligence the contractual duties and obligations entered into.

(2) In cases of gross negligence, the maximum liability for damages due from the appointed person entitled to exercise the profession is tenfold the minimum insurance sum of the professional liability insurance according to Section 11 of the Act on Professions in the Field of Public Accounting (WTBG) in the currently valid version.

(3) Any action for damages may only be brought within six months after those entitled to assert a claim have gained knowledge of the damage, but not later than three years after the occurrence of the (primary) loss following the incident upon which the claim is based, unless other statutory limitation periods are laid down in other legal provisions.

(4) Should Section 275 of the Austrian Business Enterprise Code (Commercial Code, UGB) be mandatorily applicable, the liability provisions pursuant to Section 275 shall apply where these represent mandatory law, even in cases where several persons have participated in the execution of the contract or where several activities requiring compensation have taken place, irrespective of whether other participants have acted with intent.

(5) In cases where a formal audit certificate is issued, the applicable limitation period shall commence at the latest at the time of issue of said audit certificate.

(6) If activities are carried out by enlisting the services of a third party, e.g. a data-processing company, and the client is informed thereof, any warranty claims and claims for damages which arise against the third party according to law and in accordance with the conditions of the third party, shall be deemed as having been passed on to the client. The person entitled to exercise the profession shall only be liable for fault in choosing the third party.

(7) The person entitled to exercise the profession shall not be liable to a third party, if his/her professional statements are passed on by the client without the approval or knowledge of the person entitled to exercise the profession.

(8) The above provisions shall apply not only vis-à-vis the client but also vis-à-vis third parties, if the person entitled to exercise the profession, in exceptional cases, should be liable for his/her work. The maximum sum of liability shall be valid only once for all parties injured, including the compensation claims of the client, even if several persons (the client and a third party or several third parties) have been wronged; the claims of the aggrieved parties shall be satisfied in the order in which the claims have been raised.

9. Secrecy, Data Protection

(1) According to Section 91 WTBG the person entitled to exercise the profession shall be obliged to maintain secrecy in all matters that become known to him/her in connection with his work for the client, unless the client releases him/her from this duty or he/she is bound by law to deliver a statement.

(2) The person entitled to exercise the profession shall be permitted to hand on reports, expert opinions and other written statements pertaining to the results of his/her services to third parties only with the permission of the client, unless he/she is required to do so by law.

(3) The person entitled to exercise the profession is authorized to process personal data entrusted to him/her within the framework of the purpose of the contract or to have them processed by a third party according to Point 8 Item 5. The person entitled to exercise the profession shall guarantee that according to Section 15 of the Data Protection Act secrecy be maintained. According to Section 11 of the Data Protection Act the material made available to the person entitled to exercise the profession (data carrier, data, control numbers, analyses and programs) as well as all results obtained as a result of the work provided shall be returned to the client, unless the client has requested in writing that the material and/or results be transferred to a third party. The person entitled to exercise the profession shall be obliged to take measures to ensure that the client can meet his/her obligation to provide information according to Section 26 of the Data Protection Act. The client's instructions required for this purpose shall be given in writing to the person entitled to exercise the profession. Unless a fee has been negotiated for providing such information, the client shall be charged only the actual efforts undertaken. The client shall meet his/her obligation to provide information to those concerned and/or to register in the data processing register, unless the contrary has been explicitly agreed in writing.

10. Termination

(1) Unless otherwise agreed in writing or stipulated by force of law, either contractual partner shall have the right to terminate the contract at any time with immediate effect. The fee shall be calculated according to Point 12.

(2) However, a continuing agreement (even with a flat fee) – always to be presumed in case of doubt – may, without good reason (cf. Section 88 Item 4 WTBG), only be terminated at the end of the calendar month by observing a period of notice of three months, unless otherwise agreed in writing.

(3) Except for cases listed in Item 5, in case of termination of a continuing agreement only those tasks shall be part of the list of jobs to be

completed and finished that can be completed fully or to the largest part within the period of notice, with financial statements and annual income tax returns being deemed to be subject to successful completion within two months calculated from the balance sheet date. In this case the above-mentioned jobs actually have to be completed within a reasonable period of time, if all documents and records required are provided without delay and if no good reason within the meaning of Section 88 Paragraph 4 WTBG is cited.

(4) In case of a termination according to Item 2 the client shall be informed in writing within one month which assignments at the time of termination are considered to be part of the work to be completed.

(5) If the client is not informed within this period about the assignments still to be carried out, the continuing agreement shall be deemed terminated upon completion of the tasks under way at the date when the notice of termination is served.

(6) Should it happen that in case of a continuing agreement as defined under Items 2 and 3 – for whatever reason – more than two similar jobs which are usually completed only once a year (e.g. financial statements or annual tax returns etc.) are to be completed, any such jobs exceeding this number shall be regarded as assignments to be completed only with the client's explicit consent. If applicable, the client shall be informed of this explicitly in the statement pursuant to Item 4.

11. Default in Acceptance and Failure to Cooperate on the part of the Client

If the client defaults on acceptance of the services rendered by the person entitled to exercise the profession or fails to carry out a task incumbent on him/her either according to Point 3 or imposed on him/her in another way, the person entitled to exercise the profession shall have the right to terminate the contract without prior notice. His/her fees shall be calculated according to Point 12. Default in acceptance or failure to cooperate on the part of the client shall also justify a claim for compensation made by the person entitled to exercise the profession for the extra time and labor hereby expended as well as for the damage caused, if the person entitled to exercise the profession does not invoke his/her right to terminate the contract.

12. Entitlement to Fee

(1) If the contract fails to be executed (e.g. due to termination), the person entitled to exercise the profession shall be entitled to the negotiated fee, provided he/she was prepared to render the services and was prevented from so doing by circumstances caused by the client (Section 1168 of the Civil Code (ABGB)); in this case the person entitled to exercise the profession need not deduct the amount he/she obtained or could have obtained through alternative use of his/her own professional services or those of his/her employees.

(2) If the client fails to cooperate and the assignment cannot be carried out because of lack of cooperation, person entitled to exercise the profession shall also have the right to set a reasonable grace period on the understanding that, if this grace period expires without results, the contract shall be deemed cancelled and the consequences indicated in Item 1) shall apply.

(3) If the person entitled to exercise the profession terminates the contract without good reason and at an inopportune moment, he/she shall compensate the client for the damage caused according to Point 8.

(4) If the client – having been made aware of the legal situation – agrees that the person entitled to exercise the profession duly completes the task, the work shall be completed accordingly.

13. Fee

(1) Unless the parties agreed that the services would be rendered free of charge or unless explicitly stipulated otherwise, an appropriate remuneration in accordance with Sections 1004 and 1152 of the Austrian Civil Code (ABGB) is due. Unless a different agreement has demonstrably been reached, payments by the client shall in all cases be credited against the oldest debt. The claim for remuneration by the person entitled to exercise the profession is based upon an agreement concluded between him/her and the principal involved.

(2) Proper understanding between the person entitled to exercise the profession and their principals is most effectively achieved by clearly expressed remuneration agreements.

(3) The smallest service unit which may be charged is a quarter of an hour.

(4) Travel time to the extent required is also charged in most cases.

(5) Study of documents which, in terms of their nature and extent, may prove necessary for preparation of the person entitled to exercise the profession in his/her own office may also be charged as a special item

(6) Should a remuneration already agreed upon prove inadequate as a result of the subsequent occurrence of special circumstances or special requirements of the principal, additional negotiations for the agreement of a more suitable remuneration are usual. This also usually applies where inadequate fixed sum remunerations are concerned.

(7) Persons entitled to exercise the profession also include charges for supplementary costs and value-added (turnover) tax in addition to the above.

(8) Supplementary costs also include documented or flatrate cash expenses, travelling expenses (first class for train journeys, sleeping car (wagon lits) if necessary, dietary requirements, mileage allowance, photocopy costs and similar supplementary costs.

(9) Should particular third party liabilities be involved, the necessary insurance premiums also count as supplementary costs.

(10) Personnel and material expenses for the preparation of reports, expertises and similar documents are also viewed as supplementary costs.

(11) For the execution of a commission wherein mutual conclusion involves several persons entitled to exercise the profession, each of the latter will charge his/her own remuneration.

(12) Remunerations and advance payments required are due immediately after receipt of their written claim should no other agreements exist. Where payments of remuneration are made later than 14 days after the due date, default interest may be charged. Where mutual business transactions are concerned, a default interest rate of 8% above the base rate is agreed upon (Cf. Section 352 of the Austrian Business Enterprise Code (Commercial Code, UGB)).

(13) Time limitation is in accordance with Section 1486 of the Austrian Civil Code (ABGB), starting at the time of conclusion of the service involved or a later rendering of accounts after an appropriate time-limit.

(14) An objection may be raised in writing against bills presented by the appointed trustee up to 4 weeks after the date of presentation. Otherwise the bill is considered as accepted. Filing of a bill in the accounting system of the recipient is also considered as acceptance.

(15) Application of § 934 ABGB (Austrian Civil Code) within the meaning of § 351 Austrian Business Enterprise Code (Commercial Code, UGB), i.e. rescission for *laesio enormis* (lesion beyond moiety) among entrepreneurs, is hereby renounced.

14. Other Provisions

(1) In addition to the reasonable rate or fee charged, the person entitled to exercise the profession shall have the right to claim reimbursement of expenses. He/she can ask for advance payments and can make delivery of the results of his/her (continued) work dependent on satisfactory fulfillment of his/her demands. In this context reference shall be made to the legal right of retention (Section 471 of the Civil Code (ABGB), Section 369 of the Austrian Business Enterprise Code (Commercial Code, UGB)). If the right of retention is wrongfully exercised, the person entitled to exercise the profession shall be liable only in case of gross negligence up to the outstanding amount of his/her fee. As regards standing orders, the provision of further services may be denied until payment of previous services has been effected. This shall analogously apply if services are rendered in installments and fee installments are outstanding.

(2) After all the data to be archived, which has been prepared by the public accountant and tax advisor, has been delivered to the client or to the succeeding public accountant and tax advisor, the person entitled to exercise the profession shall be entitled to delete the data in question.

(3) With the exception of obvious essential errors, a complaint concerning the work of the person entitled to exercise the profession shall not justify the retention of remuneration owed in accordance with Item 1.

(4) Offsetting the remuneration claims made by the person entitled to exercise the profession in accordance with Item 1 shall only be permitted, if the demands are uncontested and legally valid.

(5) At the request and expense of the client, the person entitled to exercise the profession shall hand over all documents received from the client within the scope of his/her activities. However, this shall not apply to correspondence between the person entitled to exercise the profession and his/her client, to original documents in his/her possession or to documents which have to be kept in accordance with the directive on

money laundering. The person entitled to exercise the profession may make or retain copies or duplicates of the documents to be returned to the client. The client shall be obliged to bear these expenses in so far as these copies or duplicates may be required as a proof of the orderly execution of all professional duties by the person entitled to exercise the profession.

(6) In the event of termination of the contract, the contractor shall be entitled to charge an appropriate fee for further queries after termination of the contract and for granting access to the relevant information about the audited company.

(7) The client shall fetch the documents handed over to the person entitled to exercise the profession within three months after the work has been completed. If the client fails to do so, the person entitled to exercise the profession shall have the right to return them to the client at the cost of the client or to charge safe custody charges, if the person entitled to exercise the profession can prove that he/she has asked the client twice to pick up the documents handed over.

(8) The person entitled to exercise the profession shall have the right to compensation of any fees that are due by use of any available deposited funds, clearing balances, trust funds or other liquid resources at his/her disposal even if these funds are explicitly intended for safe keeping, if the client had to reckon with a counterclaim of the person entitled to exercise the profession.

(9) To safeguard an existing or future fee payable, the person entitled to exercise the profession shall have the right to transfer a balance held by the client with the tax office or another balance held by the client in connection with charges and contributions, to a trust account. In this case the client shall be informed about the transfer. Subsequently, the amount secured may be collected either after agreement has been reached with the client or after enforceability by execution has been declared.

15. Applicable Law, Place of Performance, Jurisdiction

(1) The contract, its execution and the claims resulting from it shall be exclusively governed by Austrian law.

(2) The place of performance shall be the place of business of the person entitled to exercise the profession.

(3) In case of disputes, the court of the place of performance shall be the competent court.

16. Supplementary Provisions for Audits

(1) For statutory audits of financial statements which are carried out in order to issue a formal audit certificate (e.g. Section 268 and the following sections of the Company Code), the purpose of the contract, unless otherwise agreed to in writing, shall not be to investigate whether regulations concerning tax laws or specific regulations, e.g. price fixing, restriction of competition and foreign exchange regulations have been adhered to. Neither shall the purpose of the statutory audit of financial statements be to investigate whether the business is run in an economical, efficient and expedient manner. Within the framework of a statutory audit of a financial statement there shall be no obligation to detect the falsification of accounts or other irregularities.

(2) When a qualified or unqualified audit certificate is issued within the scope of a statutory audit of the annual financial statement, the audit certificate issued shall be appropriate for the respective type of business organization.

(3) If financial statements are published together with the audit certificate, they shall only be published in the form confirmed or explicitly permitted by the auditor.

(4) If the auditor revokes his/her audit certificate, the further use thereof shall no longer be permitted. If the financial statements have been published with the audit certificate, the revocation thereof shall also be published.

(5) For other statutory and voluntary audits of financial statements as well as for other audits, the above principles shall apply accordingly.

17. Supplementary Provisions concerning the Preparation of Annual Financial Statements and Other Financial Statements, Consultation and Other Services to be Provided within the Framework of a Contract for the Rendering of Services

(1) The person entitled to exercise the profession, when performing the aforementioned activities, shall be justified in accepting information provided by the client, in particular figures, as correct. However, he/she is obliged to inform the client of any errors identified by him/her. The client

shall present the person entitled to exercise the profession with all important documents required for keeping deadlines, in particular tax assessment notices, in good time so as to ensure that the person entitled to exercise the profession has a reasonable amount of time, but not less than one week, to process the information.

(2) In the absence of written agreements to the contrary, consultation shall consist of the following activities:

- a) preparing annual tax returns for income tax and corporate tax as well as value-added tax (VAT) on the basis of the financial statements and other documents and papers required for taxation purposes and to be submitted by the client or prepared by the contractor.
- b) examining the tax assessment notices for the tax returns mentioned under a).
- c) negotiating with the fiscal authorities in connection with the tax returns and notices mentioned under a) and b).
- d) participating in external tax audits and assessing the results of external tax audits with regard to the taxes mentioned under a).
- e) participating in appeal procedures with regard to the taxes mentioned under a). If the person entitled to exercise the profession receives a flat fee for regular tax consultation, in the absence of written agreements to the contrary, the activities mentioned under d) and e) shall be invoiced separately.

(3) Particular matters pertaining to income tax, corporate tax and ratable value tax return as well as all matters relating to value-added tax, withholding tax on salaries and wages and other taxes and duties shall only be prepared on the basis of a specific contract. This shall also apply to

- a) processing non-recurring matters pertaining to tax, e.g. inheritance tax, capital transfer tax, land transfer tax,
- b) the defense and consultation in penal procedures relating to the taxes mentioned,
- c) providing consultation and expert opinions in matters pertaining to the foundation, restructuring, merger, capital increase and decrease, and reorganization of a company, entry and retirement of a shareholder or partner, sale of a business, winding up, management consultancy and other activities according to Sections 3 to 5 of the Act on Professions in the Field of Public Accounting (WTBG).
- d) the preparation of applications to the Register of Companies in connection with annual financial statements, including the keeping of records required.

(4) Provided the preparation of the annual value added tax return is part of the contract accepted, this shall not include the examination of any particular accounting conditions nor the examination of whether all relevant value added tax concessions have been utilized, unless the person entitled to exercise the profession can prove that he/she has been commissioned accordingly.

(5) The aforementioned paragraphs shall not apply to services requiring particular expertise provided by an expert.

SECTION II 18. Scope

The General Conditions of Contract in Section II shall apply to contracts for the rendering of services in the field of bookkeeping, payroll accounting and the administration and assessment of payroll-related taxes and contributions.

19. Scope and Execution of Contract

(1) Reference shall be made to Items 3 and 4 of the Preamble.

(2) The person entitled to exercise the profession shall be justified in regarding information and documents presented to him/her by the client, in particular figures, as correct and complete and in using them as a basis for accounting. The person entitled to exercise the profession shall not be obliged to identify errors, unless he/she has been specifically instructed to do so in writing. However, if errors are identified, he/she shall inform the client thereof.

(3) If a flat fee has been negotiated for the activities mentioned in Point 18, in the absence of written agreements to the contrary, representation in matters concerning all types of tax audits and audits of payroll-related taxes and social security contributions including settlements concerning tax assessments and the basis for contributions, preparation of reports, appeals and the like shall be invoiced separately.

(4) Particular individual services in connection with the services mentioned in Point 18, in particular ascertaining whether the requirements for statutory social security contributions are met, shall be dealt with only on the basis of a specific contract and shall be treated according to Section I or Section III of the General Conditions of Contract.

(5) Any application submitted to authorities (e.g. tax office, social insurance institution) electronically, shall be regarded as neither signed by the person entitled to exercise the profession nor by the person authorized to transmit the application.

20. Client's Duty to Cooperate

The client shall make sure that all information and documents required for bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions be placed at the disposal of the person entitled to exercise the profession on an agreed date without his/her specific request.

21. Termination

(1) Unless otherwise agreed to in writing, either contractual partner may terminate the contract at the end of each month with three months' notice without giving a particular reason.

(2) If the client repeatedly fails to fulfill his/her duties according to Point 20, the person entitled to exercise the profession shall have the right to terminate the contract immediately without prior notice.

(3) If the person entitled to exercise the profession delays in rendering services due to reasons for which he/she is solely responsible, the client shall have the right to terminate the contract immediately without prior notice.

(4) In case of a termination of the contractual relationship only those assignments shall be considered part of the contract which the contractor is already working on or major parts of which can be completed within the period of notice and which are notified to the client within one month.

22. Fee and Entitlement to Fee

(1) Unless otherwise agreed to in writing, the fee shall be considered agreed upon for one year at a time.

(2) If the contract is terminated pursuant to Point 21 Item 2 the person entitled to exercise the profession shall have the right to the full fee negotiated for three months. This shall also apply if the client fails to observe the period of notice.

(3) If the contract is terminated pursuant to Point 21 Item 3, the person entitled to exercise the profession shall only have the right to the fee corresponding to the services rendered up to this point, provided they are of value to the client.

(4) If a flat fee has not been negotiated, the fee shall be calculated pursuant to Item 2 according to the monthly average of the current year of contract until termination.

(5) Unless the parties agreed that the services would be rendered free of charge or unless explicitly stipulated otherwise, an appropriate remuneration in accordance with Sections 1004 and 1152 of the Austrian Civil Code (ABGB) is due. Unless a different agreement has demonstrably been reached, payments by the client shall in all cases be credited against the oldest debt. The claim for remuneration by the person entitled to exercise the profession is based upon an agreement concluded between him/her and the principal involved. Furthermore, the basics standardized under section 13 apply.

(6) Application of § 934 ABGB (Austrian Civil Code) within the meaning of § 351 Austrian Business Enterprise Code (Commercial Code, UGB), i.e. rescission for laesio enormis (lesion beyond moiety) among entrepreneurs, is hereby renounced.

23. Other Provisions

In all other cases, the provisions of Section I of the General Conditions of Contract shall apply accordingly.

SECTION III

24. Scope

(1) The General Conditions of Contract in Section III shall apply to all contracts not mentioned in the previous sections, which are not to be regarded as contracts for rendering services and are not related to the contracts mentioned in the previous sections.

(2) In particular, Section III of the General Conditions of Contract shall apply to contracts concerning the non-recurring participation in negotiations, to services as an agent in matters pertaining to insolvency, to contracts concerning non-recurring interventions and the handling of the individual matters mentioned in Point 17 Item 3 in the absence of a continuing agreement.

25. Scope and Execution of Contract

(1) Reference shall be made to Items 3 and 4 of the Preamble.

(2) The person entitled to exercise the profession shall be justified in regarding and obliged to regard information and documents presented to him/her by the client, in particular figures, as correct and complete. In case of penal procedures he/she shall protect the rights of the client.

(3) The person entitled to exercise the profession shall not be obliged to identify errors, unless he/she has been specifically instructed to do so in writing. However, if he/she identifies errors, the client shall be informed accordingly.

26. Client's Duty to Cooperate

The client shall make sure that all the necessary information and documents be placed at the disposal of the person entitled to exercise the profession in good time and without his/her special request.

27. Termination

Unless otherwise agreed to in writing or stipulated by force of law, either contractual party shall have the right to terminate the contract at any time with immediate effect (Section 1020 of the Civil Code (ABGB)).

28. Fee and Entitlement to Fee

(1) Unless the parties agreed that the services would be rendered free of charge or unless explicitly stipulated otherwise, an appropriate remuneration in accordance with Sections 1004 and 1152 of the Austrian Civil Code (ABGB) is due. Unless a different agreement has demonstrably been reached, payments by the client shall in all cases be credited against the oldest debt. The claim for remuneration by the person entitled to exercise the profession is based upon an agreement concluded between him/her and the principal involved. Furthermore, the basics standardized under section 13 apply.

(2) In the event of termination the fee shall be calculated according to the services rendered up to this point, provided they are of value to the client.

(3) Application of § 934 ABGB (Austrian Civil Code) within the meaning of § 351 Austrian Business Enterprise Code (Commercial Code, UGB), i.e. rescission for laesio enormis (lesion beyond moiety) among entrepreneurs, is hereby renounced.

29. Other Provisions

The reference in Point 23 to provisions in Section I shall apply accordingly.

SECTION IV

30. Scope

The Conditions of Contract of Section IV shall only apply to consumer business in accordance with the Consumer Act (Federal Law of March 8, 1979/Federal Law Gazette No. 140 as amended).

31. Supplementary Provisions for Consumer Transactions

(1) Contracts between persons entitled to exercise the profession and consumers shall fall under the obligatory provisions of the Consumer Act.

(2) The person entitled to exercise the profession shall only be liable for the deliberate and gross negligent violation of the obligations assumed.

(3) Contrary to the limitation laid down in Point 8 Item 2 of the General Conditions of Contract, the duty to compensate on the part of the person entitled to exercise the profession shall not be limited in case of gross negligence.

(4) Point 8 Item 3 of the General Conditions of Contract (asserting claims for damages within a certain period) shall not apply.

(5) Right of Withdrawal according to Section 3 of the Consumer Protection Act

If the consumer has not made his/her contract statement in the office usually used by the person entitled to exercise his/her profession, he/she may withdraw from the contract application or the contract proper. This withdrawal may be declared until the contract has been concluded or within one week after its conclusion; the period commences as soon as a document has been handed over to the consumer which contains at least the name and the address of the person entitled to exercise the profession

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as well as instructions on the right to revoke the contract, but no earlier than the conclusion of the contract.

The consumer shall not have the right to withdraw from the contract,

1. if the consumer himself/herself established the business relationship concerning the conclusion of this contract with the person entitled to exercise the profession or his/her agent,

2. if the conclusion of the contract has not been preceded by any talks between the parties involved or their agents or

3. in case of contracts where the mutual services have to be provided immediately, if the contracts are usually concluded outside the offices of the persons entitled to exercise the profession, and the fee agreed upon does not exceed €15.

In order to become legally effective, the revocation shall be declared in writing. It is sufficient if the consumer returns a document that contains his/her contract declaration or that of the person entitled to exercise the profession to the person entitled to exercise the profession with a note which reveals that the consumer rejects the conclusion or the maintenance of the contract. It is sufficient if this declaration is dispatched within a week.

If the consumer withdraws from the contract according to Section 3 of the Consumer Act,

1. the person entitled to exercise the profession shall return all benefits received, including all statutory interest, calculated from the day of receipt, and to compensate the consumer for all necessary and useful expenses incurred in this matter,

2. the consumer shall pay for the value of the services rendered by the person entitled to exercise the profession as far as they are of a clear and predominant benefit to him/her.

According to Section 4 Paragraph 3 of the Consumer Act claims for damages shall remain unaffected.

(6) Cost Estimates according to Section 5 of the Consumer Act

The consumer shall pay for the preparation of a cost estimate in accordance with Section 1170a of the Austrian Civil Code by the person entitled to exercise the profession only, if this payment obligation has been notified to the consumer beforehand.

If the contract is based on a cost estimate prepared by the person entitled to exercise the profession, its correctness shall be deemed warranted as long as the opposite has not been explicitly declared.

(7) Correction of Errors: Supplement to Point 7

If the person entitled to exercise the profession is obliged according to Section 932 of the Austrian Civil Code to improve or complement his/her services, he/she shall execute this duty at the place where the matter was transferred to him/her. If it is in the interest of the consumer to have the work and the documents returned by the person entitled to exercise the profession, the consumer may carry out this transfer at his/her own risk and expense.

(8) Jurisdiction: Instead of Point 15 Item 3:

If the domicile or the usual residence of the consumer is within the country or if he/she is employed within the country, in case of an action against him/her according to Sections 88, 89, 93 Paragraph 2 and 104 Paragraph 1 JN the jurisdiction of a court shall depend on the district where the consumer has his domicile, usual residence or place of employment.

(9) Contracts on Recurring Services

(a) Contracts which oblige the person entitled to exercise the profession to render services and the consumer to effect repeated payments and which have been concluded for an indefinite period or a period exceeding one year, may be terminated by the consumer at the end of the first year, and after the first year at the end of every six months, by adhering to a two-month period of notice.

(b) If the total work is regarded as a service that cannot be divided on account of its character, the extent and price of which is determined already at the conclusion of the contract, the first date of termination may be postponed until the second year has expired. In case of such contracts the period of notice may be extended to a maximum of six months.

(c) If the execution of a certain contract indicated in lit.a) 1 requires considerable expenses on the part of the person entitled to

exercise the profession and if he/she informed the consumer about this not later than when the contract was concluded, reasonable dates of termination and periods of notice which deviate from lit.a) and b) and which fit the respective circumstances may be agreed.

(d) If the consumer terminates the contract without complying with the period of notice, the termination shall become effective at the next termination date which follows the expiry of the period of notice.