HELLENIC PETROLEUM
ANNUAL REPORT 2014

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Contents

"OUR PROFITABILITY WAS MORE THAN DOUBLED, AS WE FOCUSED ON AREAS WE CAN INFLUENCE."

Message to Shareholders

J. Papathanasiou
Chairman of the BoD

J. Costopoulos
Chief Executive Officer

Dear Shareholders,

During 2014, the Hellenic Petroleum Group improved its performance significantly within a challenging operating environment. The optimisation of the Elefsina refinery, which achieved record high levels of utilisation, as well as the material benefits emanating from the implementation of the competitiveness improvement programs were the main factors that led the Group's Adjusted EBITDA to €417 million versus €178 million in 2013 and Adjusted Net Income to €5 million, versus losses of €117 million in 2013.

For the Greek economy, 2014 was the first year of growth after six years of recession, with GDP expanding at a rate of 0.7%. The domestic fuels market was up 1.5%, compared with the previous year, growing for the first time since 2009.

With regards to the global oil industry, the key development was the significant drop in international crude oil prices during the second half of the year, down to levels not seen since May 2009, which was driven by excess supply. On the positive side, the increased availability of crude, combined with reduced energy costs - due to lower crude prices - led to a significant recovery of benchmark refining margins during the second half of the year, offsetting the particularly adverse margin environment of the first half.

As a result of higher production and sales, the Refining, Supply & Trading business recorded a significant increase in profitability, with Adjusted EBITDA at €253 million. Exports were up by 19% to 6.7 million tons, accounting for 50% of total sales, highlighting the timely and successful implementation of our export orientated strategy.

The Domestic Marketing business contribution increased further, with Adjusted EBITDA coming in at €39 million, up 59% and reaching pre-crisis levels. This follows the successful implementation of a comprehensive two year business restructuring program.

Petrochemicals, which is vertically integrated with refining, had a record high performance, with Adjusted EBITDA of €81 million, 41% higher than 2013.

The International Marketing business reported its highest contribution ever, with an Adjusted EBITDA of €51 million, up 17% compared to 2013, proving the strategy for international expansion.

In Exploration and Production, the Group is focusing on activities in Greece. The international JV — in which HELLENIC PETROLEUM participates as the operator — for the exploration and production of hydrocarbons of the West Patraikos Gulf offshore area, has already commenced exploration activities.

The sharp decline in crude oil prices during the second half had a negative impact on inventory valuation, affecting the results of all companies in the sector. Hellenic Petroleum, being the largest refiner in the country, has the obligation to maintain high stock levels and as a result inventory loss amounted to €484 m. This impact has been excluded from Adjusted results, which reflect better the operational performance of the Group, in line with international refining industry practices.

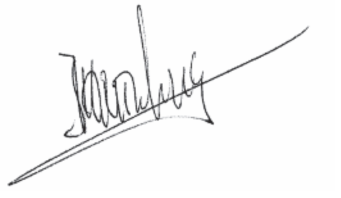
During the year, the Group took advantage of the improved liquidity environment in the first half of the year, issuing two Eurobonds in the international debt markets totalling €650 million, hence improving its maturity profile and funding cost.

In 2014 all safety indicators recorded improvements, compared to 2013, while remaining at levels that surpass the European refining industry averages; In addition, our environmental footprint was further improved across all our facilities.

For 2015, we are prepared for an equally challenging environment, characterised by high volatility in crude and oil products prices, the start-up of new competitive refineries in the Middle East and continuing uncertainties in the domestic and regional economies. To address these challenges HELLENIC PETROLEUM will continue to focus its efforts on operational excellence, competitiveness and prudent management of business and financial risks.

Maintaining the highest standards of Safety, ensuring the protection of the Environment, operating in a Sustainable and Socially Responsible way and continuously developing our People and promoting a Group culture of "Excellence in everything we do", are the key principles supporting our business strategy and areas in which we will continue to invest consistently and responsibly.

We want to particularly thank our employees for their commitment and their significant contribution and our shareholders for their continued support and confidence. They are the main pillars that support our Group's strategy of delivering sustainable growth and maximising benefits for all our stakeholders.



John Papathanasiou
Chairman of BoD

John Costopoulos
Chief Executive Officer

THE GROUP IN 2014


REFINING, SUPPLY AND TRADING OF OIL PRODUCTS


PETROCHEMICALS/CHEMICALS PRODUCTION & TRADING


POWER GENERATION AND TRADING

FUELS MARKETING


OIL & GAS EXPLORATION AND PRODUCTION


SUPPLY, TRANSPORTATION AND TRADING OF NATURAL GAS

OUR ACTIVITIES

HELLENIC PETROLEUM, founded in 1998, is one of the most important Groups in the energy sector in South-eastern Europe and operates in 7 countries.

The Group is involved in a wide range of activities in the energy sector, summarised below:

Refining, Supply and Trading of oil products, both in Greece and internationally. The Group owns three out of the four refineries operating in Greece (Aspropyrgos, Elefsina, Thessaloniki) with a total capacity of 340kbpd and a market share of approximately 65% of the Greek market in wholesale oil products trading. It also supplies 50% of the domestic market needs in FYROM, through the pipeline VARDAX and the OKTA facilities.

Fuels Marketing, both in Greece and South-eastern European markets, with a leading position in the domestic market, through its subsidiaries EKO and Hellenic Fuels (former BP Hellas), as well as in Cyprus, Serbia, Bulgaria and Montenegro.

Petrochemicals/Chemicals Production & Trading. The Group owns and operates the only vertically integrated petrochemicals complex in Greece that produces polypropylene, with a significant export orientation.

Oil & Gas Exploration and Production in Greece, Egypt and Montenegro.

Power Generation and Trading. The Group operates two combined cycle natural gas plants with a total capacity of 810 MW, through ELPEDISON, a joint venture with the Italian company EDISON. It is also active in renewables, with a portfolio exceeding 200 MW in various development stages.

Supply, Transportation and Trading of Natural Gas. The Group has a 35% participation in the Public Gas Corporation S.A. (DEPA) which is the main importer and supplier of natural gas in Greece. DESFA, a 100% subsidiary of DEPA, which comprises the high pressure gas transportation system and the LNG terminal at Revythousa, is in sale process.

“THE TIMELY AND SUCCESSFUL DELIVERY OF ELEFSINA UPGRADE AND THE OPTIMISATION OF THE NEW REFINERY DURING THE CRISIS, TRANSFORMED OUR BUSINESS MODEL, WITH 50% OF OUR PRODUCTION BEING EXPORTED.”

JOHN COSTOPOULOS
CHIEF EXECUTIVE OFFICER

THE GROUP IN 2014

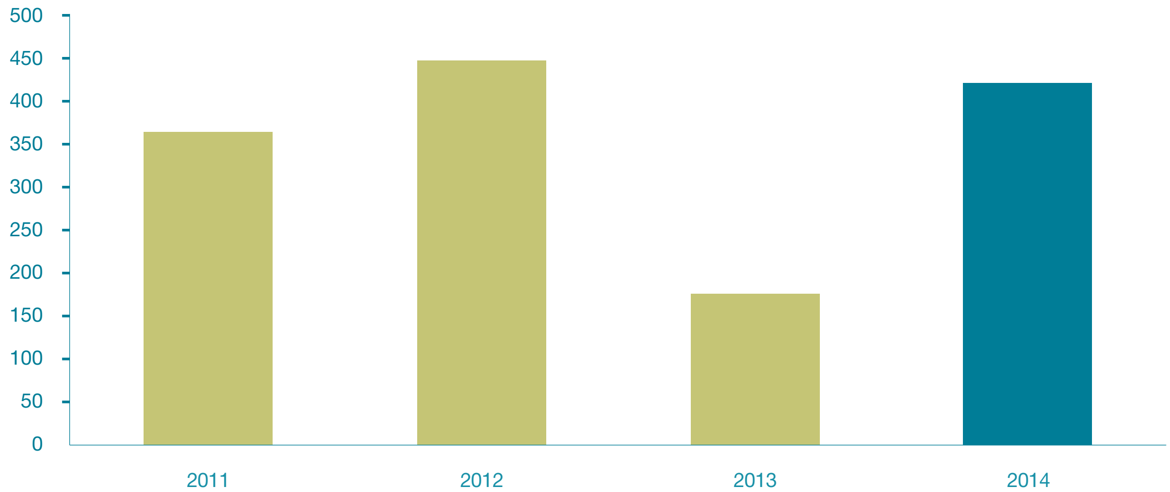
- Successfully completed the optimisation process of the operation of the upgraded Elefsina refinery, with a significant contribution to the Group's financial results.

- Issued two new Eurobonds totalling over €600million, improving liquidity, reducing the Group's funding cost and its dependency to the Greek banking system.

- Enhanced the competitiveness improvement programs, with an emphasis on the reorganisation and refining optimisation, with additional annualised cash benefits of €89 million for 2014.

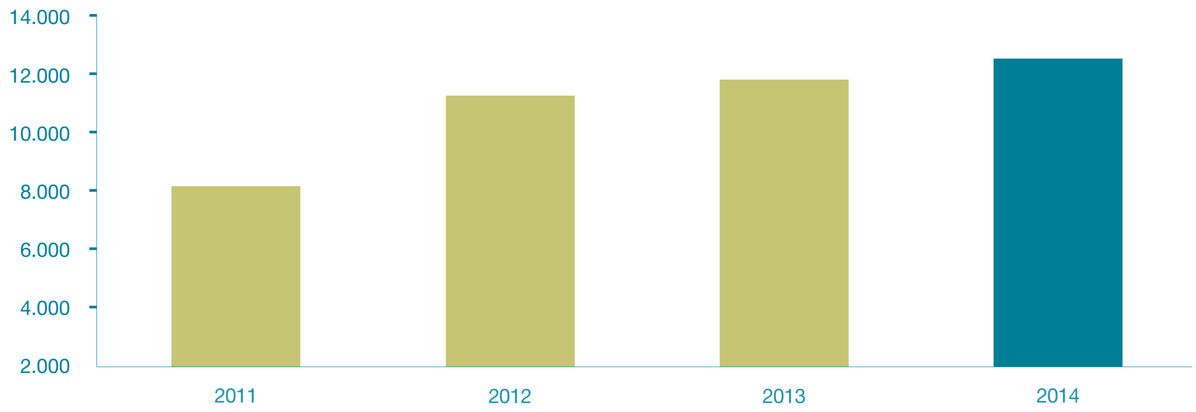
- **More than doubled its operating profit, compared with 2013**

Adjusted EBITDA (€ m.)



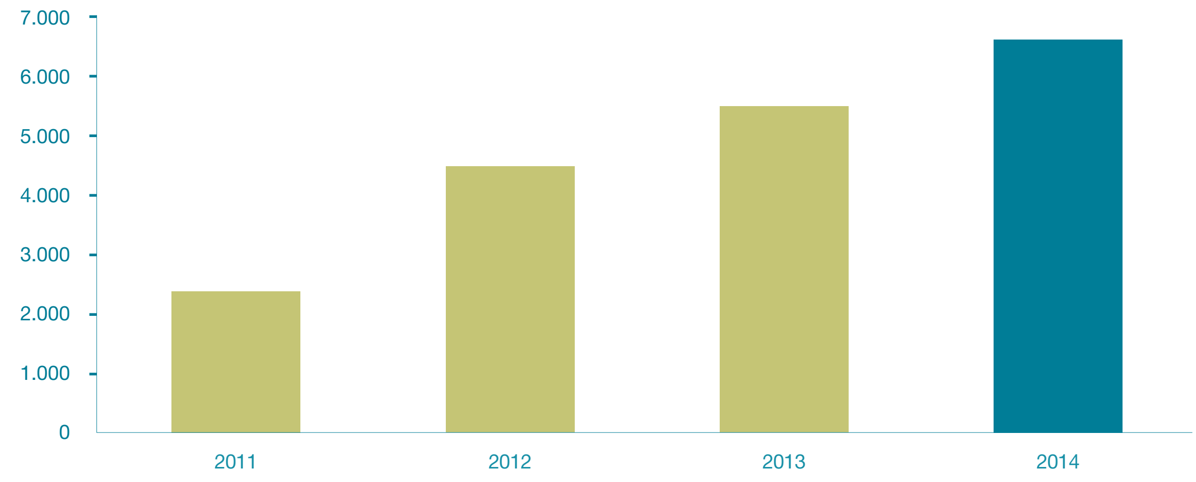
- **Increased production by 6% to 12.5 million tons, the highest level in seven years**

Group Production Volume (MT ’000)



- **Recorded its highest ever exports at 6.6 million tons**

Exports (MT ’000)



OUR STRATEGY

Strategic Objectives (2013–2017)

Having successfully implemented an unprecedented growth and transformation program during the five year period 2007-2012, the Group aims to fully exploit its investments and maximize their economic benefit. The Group's strategy for the five year period of 2013-2017 revolves around excellence, sustainable development, competitiveness and export orientation. A series of actions and initiatives have already been implemented over the last two years, with a significant impact on the Group's financial results.

The Group's strategic priorities are listed below:

LEVERAGE INVESTMENTS TO IMPROVE RESULTS

- Operational optimisation and full realisation of synergies in the South Refining Hub (Aspropyrgos and Elefsina), which constitute two of the most modern and complex refineries in the Mediterranean, with the appropriate size to achieve significant economies of scale
- Optimisation of the new refining model, maximising the full potential of the three refineries, as well as the synergies between them
- Further development of international trading activities in the Mediterranean and the Balkan area

Significant progress has been achieved regarding the optimisation of the operation of the Elefsina refinery and the implementation of a series of synergies between the three refineries, with a substantial effect on the Group's financials, while exports now account for approximately 50% of total refining sales.

FOCUS ON TRANSFORMATION PROGRAMS

- Optimise costs and operations, benchmarking versus the safest and most competitive European refineries
- Enhance transformation programs and accelerate implementation (DIAS, BEST 80)
- Focus on cost efficiencies in Central Services, Fuels Marketing and Procurement

The implementation of the transformation and restructuring programs has accelerated over the last two years in all areas, changing substantially the Group's competitive profile with overall benefits in 2013–14 amounting to €134 million.

STRATEGIC TRANSFORMATION OF FUELS MARKETING

- "KORYFI" transformation program, with an emphasis on network management, product and services portfolio, logistics, as well as the development of our people and expertise
- Adapt activities, organisation and operating costs to the current environment.

During the two year period 2013–2014, the "KORYFI" marketing competitiveness program was completed, transforming cost structure, improving efficiency and leading profitability (Adjusted EBITDA) to pre-crisis levels.

MAXIMISE VALUE IN ACTIVITIES PORTFOLIO

- Maintain and further enhance vertical integration in International Marketing and Petrochemicals with Refining
- Complete the sale process of DESFA
- Realise the full benefit of our participation in DEPA and Elpedison
- Develop Renewable Energy Sources

The increased integration with Refining recorded significant benefits in Petrochemicals. Regarding Group's international activities, both the restructuring of the international marketing business supply model, by strengthening relationships with local suppliers and the higher level of integration with Group's refineries, as well as the emphasis on profitable trading and logistics activities (OKTA) contributed to the improvement of Group's competiveness. In Renewable Energy Sources, the Group has 200 MW power projects in various stages of development as well as 8.2 MW already in operation.

DEVELOP HUMAN RESOURCES

- Focus on the development of our people through investing in continuous training and development of expertise
- Establish a culture of excellence and its reward in all of our activities

The Group continued to invest in training throughout the crisis,; in the last two years, it proceeded with the development of the training programs EDGE and EDGE commercial and increased training hours. It also launched a new Young Graduates Program aimed at attracting the top candidates from both Greek and international universities.

FOCUS ON CORPORATE SOCIAL RESPONSIBILITY

- Provide support to the greater society, focusing on socially vulnerable groups in local communities
- Support of the young generation through awards for excellence to students, the provision of scholarships for international studies and work experience opportunities

The above initiatives will contribute to the achievement of the following financial objectives:

IMPROVE PROFITABILITY

- Increase EBITDA through the contribution of the new investments and transformation programs
- Maximise net cash flows from increased profitability and capex control

Adjusted EBITDA more than doubled to €417 million in 2014, while capex stabilised at €100–130 million.

DELEVERAGE GROUP

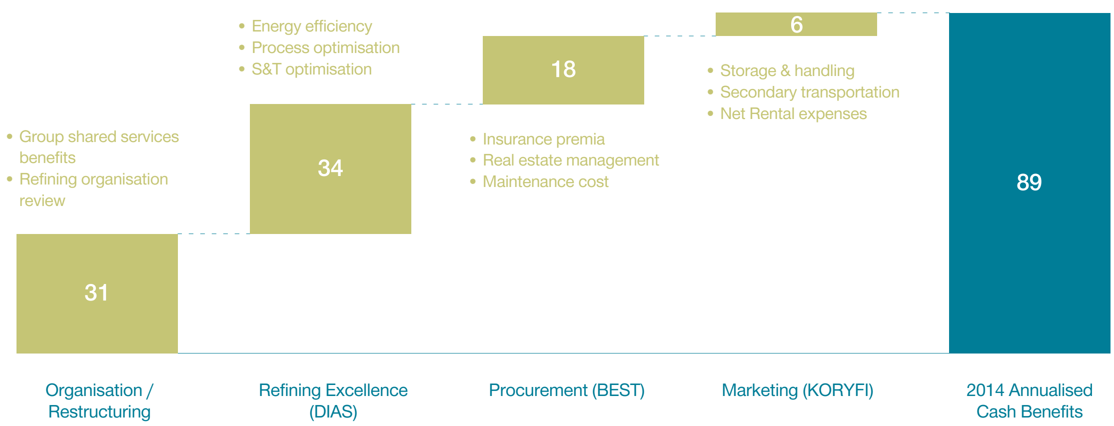
- Gradual reduction of indebtedness over the next few years through increased cash flow
- Diversify funding sources and reduce finance costs

The issue of two new Eurobonds in the second quarter of 2014, totalling more than €600 million contributed to a significant reduction in borrowing costs and the improvement of the debt maturity profile, reducing Group's financial risk.

Initiatives and Transformation Programs

In the context of the strategy to focus on areas that we can influence, during 2014 the Group continued to emphasise on competitiveness improvement, intensifying its efforts in all activities. In 2014, cash benefits from the implementation of all programs amounted to €89 million.

Cash benefits for 2014 (€ m.)



"DIAS" Refining Excellence Program

"DIAS" program aims at the operational optimisation of the Group's three Greek refineries. In this context, Group's refining experts actively participate in identifying key areas with the greatest potential for the improvement of facilities' operation and maintenance.

The proposals that were evaluated aim at:
- Increasing the output of high value added products
- Reducing operating costs, with a positive effect on the Group's profitability
- Maximising the operating efficiency of the upgraded refineries

During the first years of the program implementation, our staff developed valuable expertise on modern methods which are applied in the global oil and chemicals industry, in order to maximize their performance in terms of Safety, Environment and financial results. From 2013 onwards, the aim is to further develop the respective programs at Elefsina and Thessaloniki refineries, following the successfully implementation in Aspropyrgos refinery.

The implemented targeted interventions during the Elefsina refinery's scheduled maintenance contributed significant financial benefits in 2014. The integration of the two South Hub refineries also continued to yield positive results both on an administrative as well as operational level, with the annual benefit exceeding €10 million.

Additional annualized benefits from "DIAS" program for 2014 amounted to €34 million.

The new benefits arose primarily from:
a) Maximizing the capacity of Vacuum Distillation, Hydrocracker & Flexicoker units of the Elefsina refinery.
b) Reducing own use of fuel oil at the Elefsina refinery.
c) Limiting steam losses at the Thessaloniki refinery.
d) Installing a new high-efficiency boiler in replacement of older boilers at the Aspropyrgos refinery.

Substantial contribution also came from transformation projects in Supply & Trading and Oil movement of Group's refineries.

A series of initiatives have been planned for 2015 in the Group's three refineries in order to further improve operations and efficiency. Emphasis will be given on the implementation of upgrading works during the scheduled maintenance turnaround at the Aspropyrgos refinery in spring 2015 (energy efficiency improvement, increase of propylene production). A significant benefit is also expected from the completion of investments in the Elefsina refinery for hydrogen recovery from the fuel gas stream in the Hydrocracker complex and the connection with the natural gas grid as an alternative source for hydrogen production.

Procurement Optimisation program "BEST"

BEST (Buying Effectively Smartly Timely) program is one of the Group's major transformation programs aiming at cost efficiencies throughout the supply chain, using a methodology based on commercial levers such as synergies, strategy determination, market research and negotiations, as well as technical, such as specifications and models of operation. It also aims at reorganising and improving procurement processes.

The BEST program's objective is to achieve further economies of scale mainly by reviewing core expenditure categories, as well as extending the program into new areas (e.g. transportation of products, insurance premia, real estate management) and business units (international marketing and refining, RES), as well as through synergies from the integration of HELLENIC FUELS. BEST program constitutes the first field of transformation initiatives implementation within the Group. Since its launch in 2007, it has contributed significantly to reducing operating and capital expenditure as well as improving efficiency.

In 2014, the implementation of the BEST program contributed to a more efficient Group operation, securing a seamless supply chain, despite the challenging environment and generating further cost savings of €18 million. These cost savings resulted mainly from the cost reduction for insurance premia, transportation of products, office rental as well as reduced operational costs (maintenance, catalysts, etc.) in refining. In addition, it included the reorganisation of the Procurement department in order to serve Group's needs in a more flexible and efficient way.

Finally, in 2015 it was decided to extend BEST program (BEST 100) encompassing additional cost savings of €20 million for the next two years.

“KORYFI” Marketing Competitiveness Program

The “KORYFI” Marketing Competitiveness Program, launched in 2012, with emphasis on competitiveness improvement was completed successfully in 2014.

The program was based on more than 40 improvement initiatives, the implementation of which generated significant financial benefits since its launch, originating mainly from the following levers:

- Optimisation of facilities’ operation
- Supply chain cost reduction
- Adjustment of commercial policy for the reduction of working capital and network streamline
- Strategic petrol station network management, improving cost efficiency
- Design and implementation of new, modern and efficient organisational structure for fuels companies

Our history in the capital markets

2014

Strengthening of the Group's presence in international capital markets by issuing two Eurobonds of a total amount in excess of €600 million.

2013

The first Eurobond in the group's history is issued in May 2013, amounting to €500 million.

2003

PETROLA HELLAS S.A. merges by absorption with HELLENIC PETROLEUM and the Group takes over the Elefsina refinery.

2000

Sale of a second block of HELLENIC PETROLEUM S.A. shares by the Greek State via a public offering.

1998

Merger of DEP Group subsidiaries which are renamed HELLENIC PETROLEUM. Listing on the Athens and London Stock Exchanges.

HELLENIC PETROLEUM IN THE CAPITAL MARKETS

Main information

HELLENIC PETROLEUM's shares are traded in the General Category (Main Market) on the Athens Stock Exchange (ATHEX: ELPE) and London Stock Exchange (LSE: HLPD)as Global Depositary Receipts (GDRs).

The Company's share capital amounts to €666,284,703.30 divided into 305,635,185 shares with a nominal value of €2.18 each. The Company's shareholders rights, arising out of their shares, are proportionate to the percentage of capital corresponding to the paid-in share value. All shares have the same rights and obligations arising from the Law and the Company's Articles of Association. The liability of the Company's shareholders is limited to the nominal value of the shares they own.

HELLENIC PETROLEUM's shares participate, with a significant weighting, in the ASE General Index and the FTSE/XA Large Cap Index, as well as a number of other indices such as the FTSE/XA Oil-Gas Index, the FTSE/Med 100 Index, the Greece - Turkey 30 Index and the Global X FTSE Greece 20 ETF Index. Its shares also participate on the Dow Jones Stoxx Index.

SHARE TICKER:
OASIS: ELPE
Reuters: HEPr.AT
Bloomberg: ELPE:GA

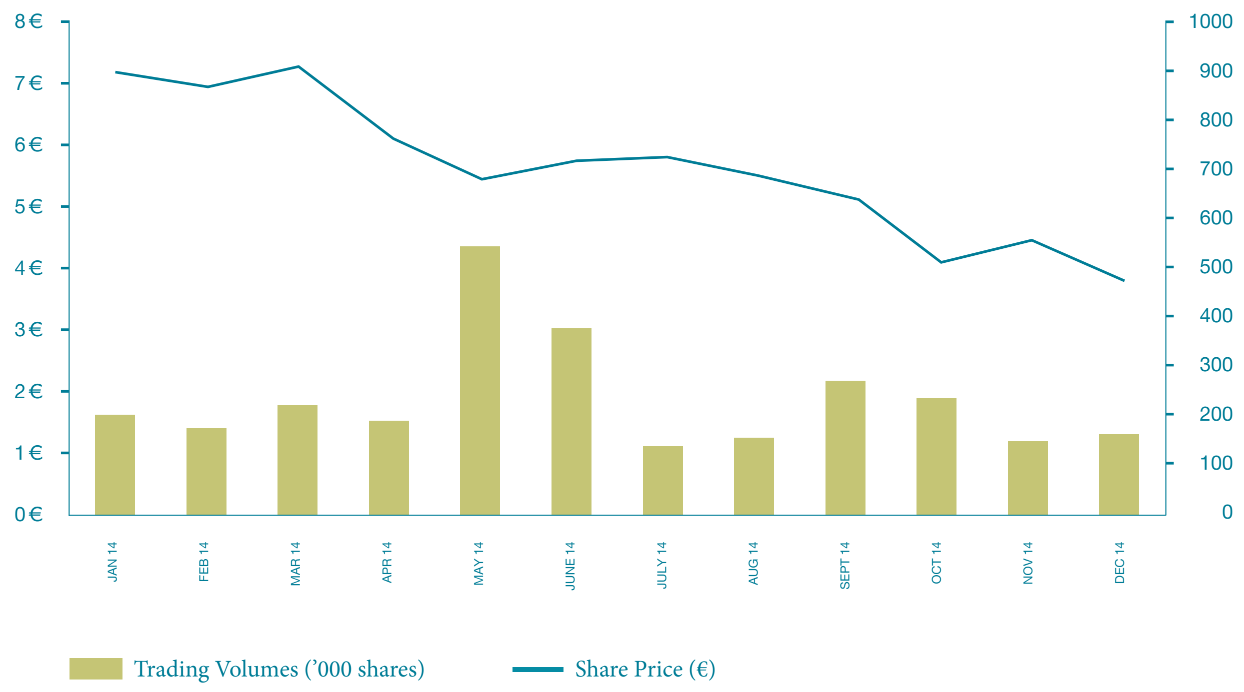
Share Price Performance

2014 started on a positive note for the Athens Stock Exchange with higher trading volumes, increased positions of foreign institutional investors and successful recapitalisations of Greek banks, with strong participation of international funds. In second half, the sentiment reversed and foreign investors took a more prudent stance; as a result, indices (General Index, FTSE/ASE Large Cap) recorded significant losses of 48% (29% overall for 2014). In this context, the performance of the HELLENIC PETROLEUM share followed a similar path ending the year lower, at €3.80 (31.12.2013). The removal of the share from MSCI Emerging Markets Index effectively on free float considerations had also an impact on share's price performance.

Share Price Data, Fiscal Year 2014

Average price	€5.84
Lowest price	€3.70
Highest price	€8.00
Average daily trading volume (no. of shares)	237,000

HELLENIC PETROLEUM's share price evolution



Analyst coverage

The number of Greek and international brokerage firms covering HELLENIC PETROLEUM on the 31st of December 2014 amounted to twelve (12), greater than last year due to increased coverage by large international firms.

GREEK FIRMS
- Alpha Finance
- Investment Bank of Greece
- Eurobank Equities
- Pantelakis Securities

INTERNATIONAL FIRMS
- Barclays Capital
- BofA Merrill Lynch
- Citigroup
- Deutsche Bank
- Nomura
- Societe Generale
- UBS
- Wood Company

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Dividend policy

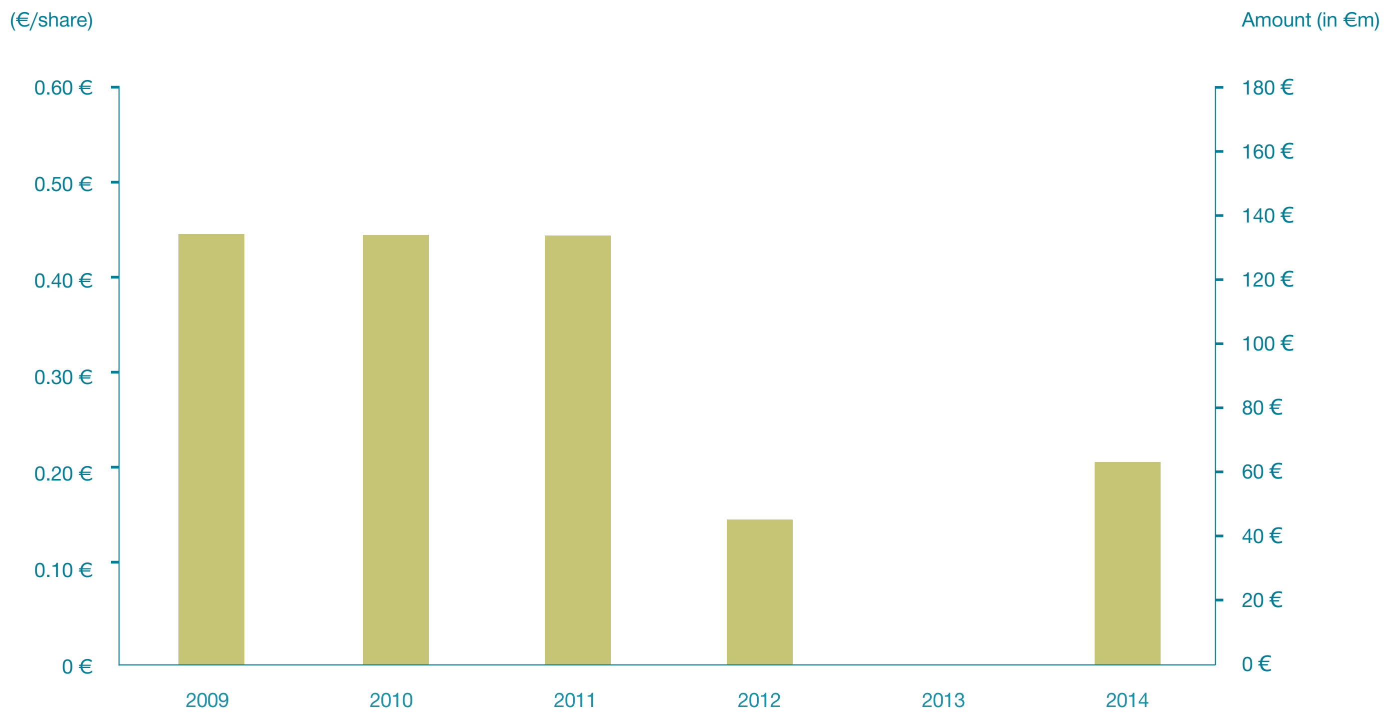
The challenging business conditions in association with the funding issues faced by all Greek companies in recent years led to temporary suspension of dividend distribution.

The above policy is under consideration and in 2015 the dividend policy for the next three years will be reviewed taking into account the financial results of 2015 and the forecasts for 2016-18.

Other Distributions

The Extraordinary General Meeting of 15/12/14 approved the special regime taxation (L. 4172/2013) at a preferential rate of 19% of special tax reserves amounting to € 79,477,054.70 and the distribution of a net amount of €64,183,388.05, i.e. €0.21 per share, without any further tax obligation for the shareholder.

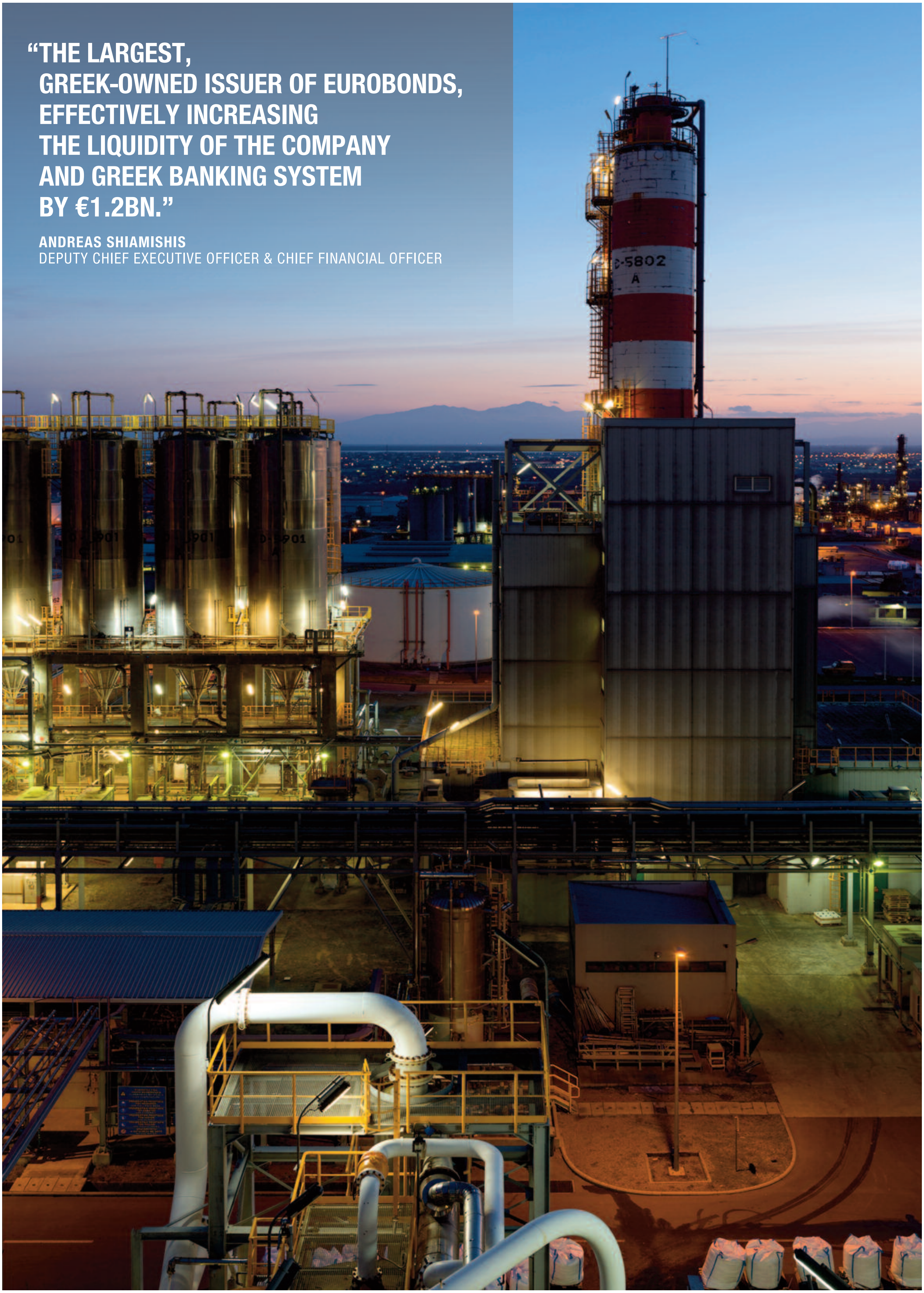
Dividend per share*



* Including other distributions.

“THE LARGEST, GREEK-OWNED ISSUER OF EUROBONDS, EFFECTIVELY INCREASING THE LIQUIDITY OF THE COMPANY AND GREEK BANKING SYSTEM BY €1.2BN.”

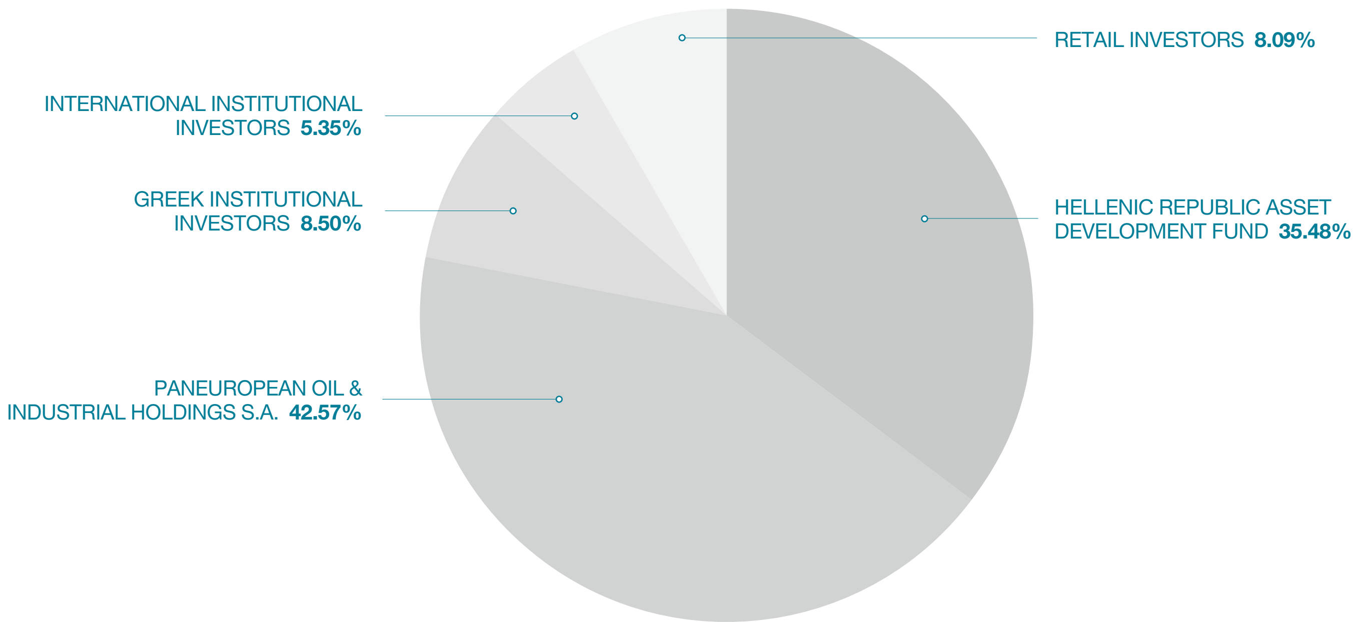
ANDREAS SHIAMISHIS
DEPUTY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER



Shareholding structure

Changes in shareholding structure during 2014 were not material and they were mainly driven by the abovementioned developments in the Athens Stock Exchange. The ownership composition on 31/12/2014 is as follows:

Shareholder composition



Eurobonds

The Group proceeded with issuing two Eurobonds in 2014. On 12 May, it successfully completed the issue and pricing of a 2-year $400 m Eurobond with an annual fixed coupon of 4.625%, whilst the book building process and pricing for the 5-year €325 m Eurobond at a fixed rate of 5.25%, was completed on 27 June. In total, the Group has raised more than €1.1 bn through the issue of three internationally traded bonds and is the largest Greek owned issuer. The main features of the 3 bonds, which are issued by HELLENIC PETROLEUM FINANCE plc, guaranteed by HELLENIC PETROLEUM S.A. and traded on the Luxembourg Stock Exchange, are listed in the table below:

Issue date	Maturity	Currency	Amount (m)	Coupon	ISIN
10/05/2013	10/05/2017	EUR	500	8.00%	XS0926848572
16/05/2014	16/05/2016	USD	400	4.625%	XS1068226114
04/07/2014	04/07/2019	EUR	325	5.25%	XS1083287547

Investor Relations Services

The Company seeks to fully and fairly inform its shareholders and bondholders in Greece and internationally, through a variety of events and initiatives, such as:

- Quarterly presentation of business activities and financial results
- Teleconferences where investors/analysts have the opportunity to be informed in more detail about the activities of the Group
- Presence in roadshows in Greece and abroad
- Regular update of the company's website regarding basic industry performance indicators

GROUP'S BUSINESS ACTIVITIES

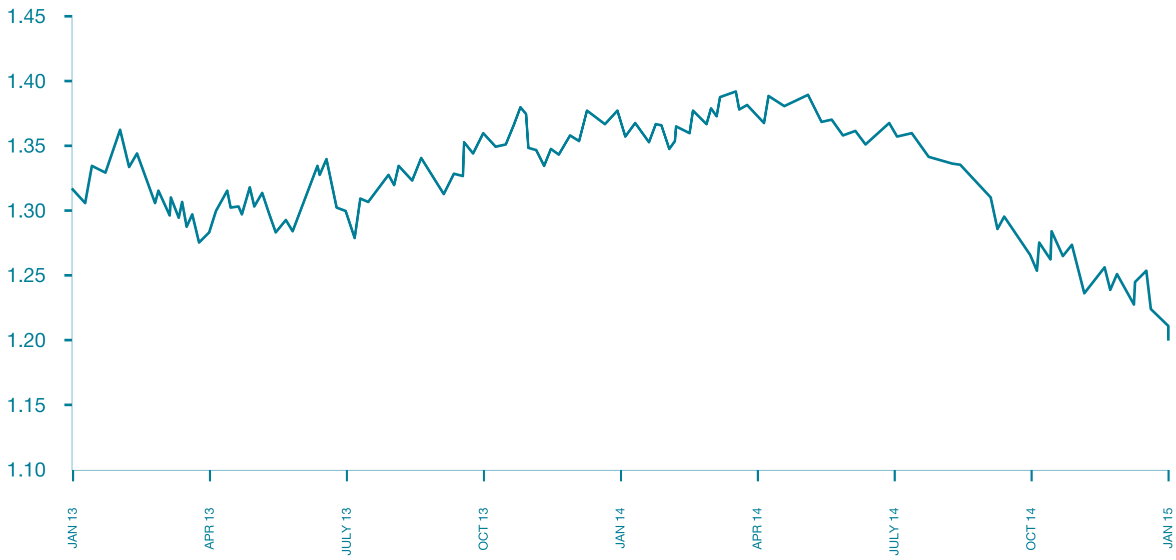
Business Environment

Macroeconomic environment and Petroleum industry

The recovery of the global economy continued in 2014 (+3.3%)[1] , with the GDP growth rate of the developed countries (+1.8%) offsetting the slow-down of emerging economies' growth (+4.4%). Regarding the Eurozone economy, GDP growth rate stood at 0.8%. The monetary policy remained expansionary, as the ECB cut interest rates twice during the year, while it was also expected to proceed with a programme of quantitative easing in the beginning of 2015 in order to address deflation.

In 2014 average EUR/USD exchange rate remained unchanged versus last year, despite the constant strengthening of USD after the first half, amid monetary policy developments from the corresponding central banks. EUR/USD exchange rate averaged in €1=$1.33 (same in 2013) recording a high of €1=$1.39 and a low of €1=$1.21, reaching the levels of 2006. The stronger dollar benefits refiners, as benchmark margins, their main profitability driver are dollar denominated.

€/$ Exchange rate evolution 2013 – 2014



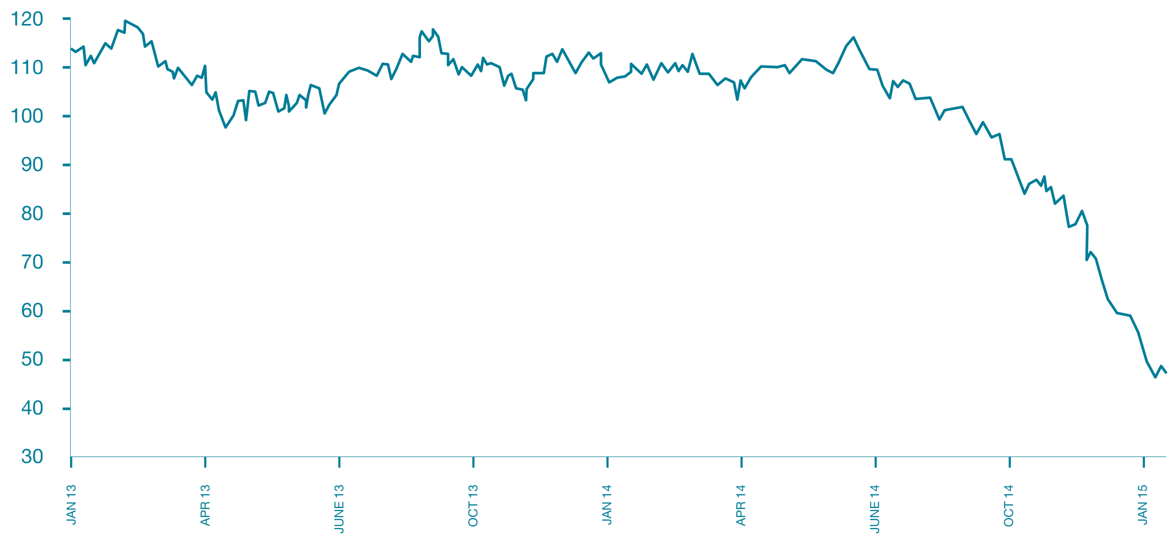
Global crude oil demand in 2014 amounted to 92.4 m bpd[2] versus 91.8 m bpd in 2013, increased by 0.7%, driven by higher consumption in developing economies. Global crude oil production in 2014 amounted to 93.3 m bpd against 91.4 m bbl, 2.1% higher than 2013. This increase was driven mainly from non OPEC countries, US in particular, as OPEC maintained its production unchanged at 36.7 mbpd, despite the continued oil price decline in the second half of the year.

Global crude oil prices remained stable at high levels during the first half of 2014, averaging $109/bbl (2013: $109/bbl), while in the second half prices recorded a sharp decline of 50% from

1. Source: IMF, World Economic Outlook Update, January 2015
2. Source: IEA, "Oil Market Report", January 2015

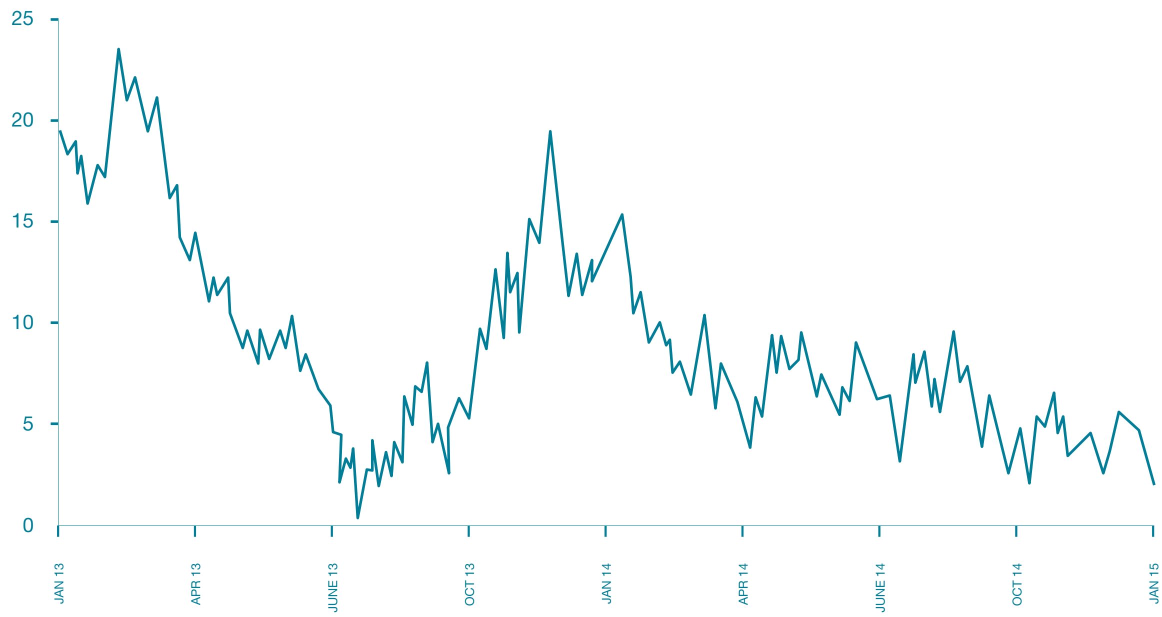
their peak (June 2014: $115/bbl) down to 5-years low, at $55/bbl, due to excess supply in global oil markets. Brent price averaged $99/bbl in 2014, decreased by $10/bbl compared to 2013.

Crude oil price – Brent ($/bbl)



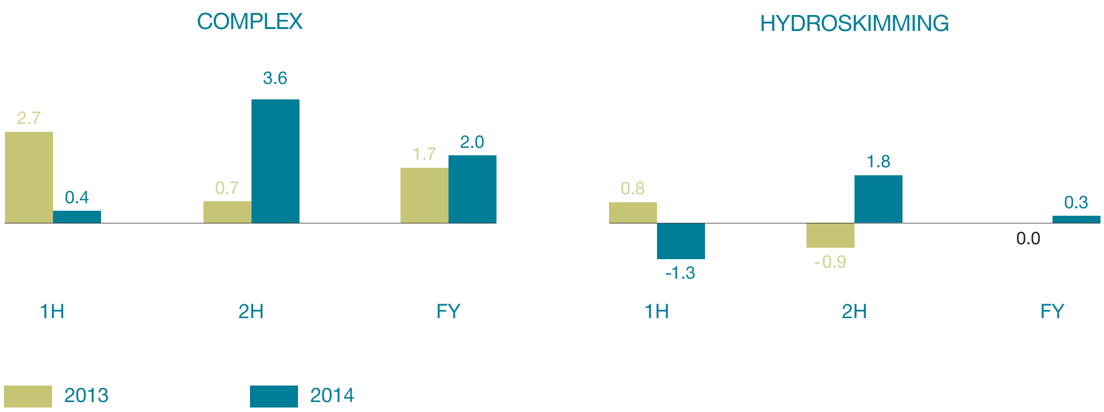
Challenges in the European refining environment persisted throughout the first half of 2014, with increased uncertainty regarding availability and volatility in crude oil markets, due to the developments in Iraq, as well as in Libya and Ukraine. Furthermore, diesel exports from US to Europe were maintained at high levels, amid the strong competitive advantage of N. American refineries on energy cost and raw materials (spread of WTI over Brent).

Brent – WTI spread ($/barrel)



In the second half of 2014, the higher crude availability and the increased production in Libya and Iraq offset the effect of the reduced crude oil exports from Russia to the Med, resulting in a decrease of oil price by $60/bbl. These developments led to improved refining margins, also reflected in the benchmark refining margins reported by Reuters.

Mediterranean Benchmark Refining Margins[3] ($/bbl)



The Greek Market

The Greek economy grew for the first time, after six years of recession and five years of fiscal adjustment with GDP 0.8% higher in 2014, versus -3.7% in 2013[4]. The positive performance was mainly attributed to increased exports and tourism, as well as private consumption recovery, reflected in the 2.2% higher retail sales and the 24% increase of new car registrations.

Recovery of consumption, achievement of primary surpluses both on a general government level and on the current account balance for second consecutive year, the successful and adequate recapitalization of the systemic banks as well as the access, on more favorable terms, of both the Greek government and Greek corporates to debt capital markets has reinforced the view that confidence in prospects for the Greek economy is gradually being restored. However, confidence has been affected negatively by the developments in the country during the second half.

The stabilisation trend in the domestic fuel market continued during the first half 2014, while in the second half an increase (+5%) in oil products demand was recorded for the first time since 2009. The domestic fuel consumption in 2014 amounted to 6.7 m tonnes, increased by 1.5% versus last year, with the growth rate of diesel consumption (+6%) offsetting the slowdown of the gasoline market. Reduced pump prices in the second half, as well as the adjustment of the heating gasoil excise duty contributed to demand increase.

3. Source: Reuters
4 Sources: ELSTAT Data Ministry of Productive Reconstruction, Environment & Energy, Bank of Greece "Monetary Policy, Interim Report, December 2014

Financial Review 2014

Group's Adjusted EBITDA for 2014 amounted to €417 million (2013: €178 million), leading to positive Adjusted Net Income. Performance was improved in all business units, some of which reported record high contribution. In refining, results were driven by improved refining operations, following the de-bottlenecking works at Elefsina earlier in the year, as well as by the favorable international refining environment during the second half of the year. Further support came from continuous cost control efforts and growth in exports, accounting for c. 50% of total sales.

Reported results were significantly affected by the sharp decline of crude oil prices, impacting year-end inventory valuation. As Hellenic Petroleum maintains a high inventory level as part of its Compulsory Stock Obligations, the total loss from the price drop in 2014 was €484 m, turning positive operating results for the year to a Net loss of -€365 m.

Fundamental figures for 2014

€ m.	2014	2013
Turnover	9,478	9,674
Adjusted EBITDA	**417**	**178**
Inventory effect	(484)	(70)
EBITDA	(84)	29
Adjusted Net Income	**5**	**(117)**
Net Income	(365)	(269)
Capital Employed	2,870	3,905
Net Debt	1,140	1,690
Gearing Ratio	40%	43%

The results of the first half of 2014 were affected by low refining margins, as well as the temporary shut-down of the Elefsina refinery for the required maintenance and optimisation works. In the second half of the year, Elefsina refinery operated at high utilisation rates, with all units exceeding design specifications and middle distillates yield at 73%, while all refineries recorded strong performance. These were reinforced by improved refining margins. Moreover, the domestic fuel market rebounded for the first time since the beginning of the crisis, with auto fuels consumption increasing in the second half.

The contribution of the competitiveness improvement projects amounted to €89 million in 2014, in line with plan, leading to a substantial positive impact on Group's results. A large part of the benefit came as a result of the reduced fixed costs, despite the increase in production and sales, as the restructuring efforts which began in 2013 were completed successfully. Moreover, the enhancement in gross margin due to the energy efficiency improvement projects and operation of the refineries' conversion units was also substantial.


632 AL
632 BB
675 CB
JET FUEL
MAX PRESSURE
50 P.S.I.
MAX SUCTION

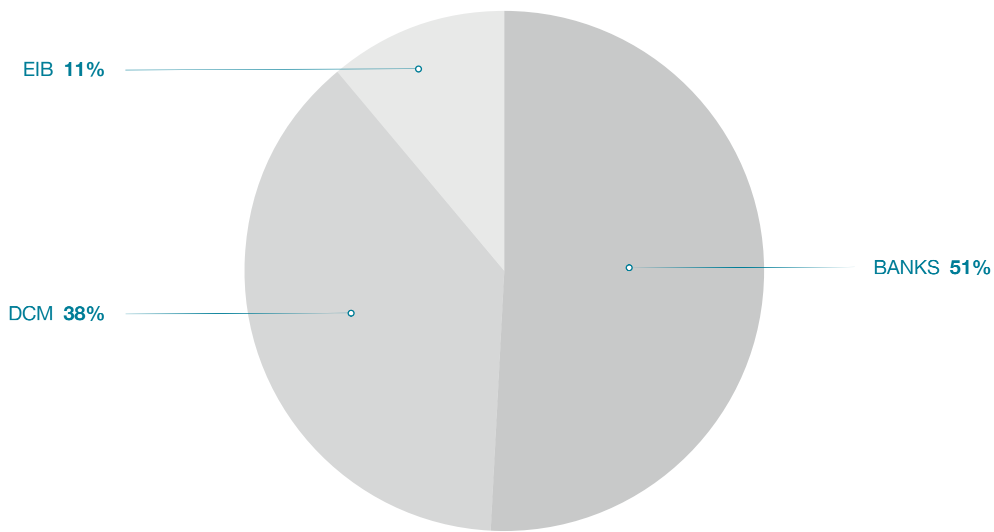
Marketing contribution was also increased: in Greece, the successful restructuring efforts over the last two years led operating profitability to a four year high, whilst the international subsidiaries recorded their highest contribution ever, despite the unfavourable external environment in their respective local markets. Petrochemicals also improved performance, posting a new record high profitability.

Liquidity and cash flows

Group's liquidity and strong financial position continued to be important priorities for 2014. Cash flows were positive, as, during the last quarters, increased profitability, combined with normalised capex levels, led to reduced leverage. In terms of funding, despite the continued challenges, the Group's position improved following the Eurobond issues and the renegotiation of existing credit facilities. Strategic targets on both tenure (maturity profile) and diversification (DCM vs Banks) have been achieved and interest costs are gradually being reduced from the fourth quarter onwards. Net debt amounted to €1.1 billion, decreased versus last year whilst gearing stood at 40% (4Q13: 43%). In 2014, HELLENIC PETROLEUM Group proceeded with the issuance of two new Eurobonds: the first amounting to $400 million maturing in May 2016 with a 4.625% yield and the second, to €325 million, with a five year tenor and a 5.25% coupon, taking advantage of the favorable environment of the second quarter. Moreover, the Group proceeded with the renegotiation of the syndicated loans maturing in 2016 of an original total amount of €605 m, with an early partial voluntary repayment of approximately €150 m (further than the already scheduled repayment of €50 m), utilising the proceeds of the issuance of the US dollar-denominated bond of same maturity and the new loans amounting to a total of €400 m with repayment until 2018. Furthermore, during the second half, the renegotiation of credit lines with Greek banks amounting to over €1 bn was completed with a positive impact on both commercial terms and cost.

Financial Position

Group Borrowing 2014



Refining, Supply & Trading

Activity in Greece

In Greece, the Group owns and operates three refineries in Aspropyrgos, Elefsina and Thessaloniki which account for approximately 65% of the country's total refining capacity and combine a storage capacity for crude oil and petroleum products of 6.65 million m^3.

The three refineries and their individual technical characteristics are described below:

Refinery Greece)	Daily Refining Capacity in Thousands of Barrels (Kbpd)	Annual Refining Capacity (M/T m.)	Type of Refinery	Nelson Complexity Index
Aspropyrgos	148	7.5	Cracking (FCC)	9.7
Elefsina	100	5.0	Hydrocracking	11.3
Thessaloniki	93	4.5	Hydroskimming	6.9

The domestic refineries are treated as a single, unified system. Crude oil purchases, production scheduling and sales forecasts are prepared for the Refining system with the objective of optimising profitability considering prevailing regional (Eastern Mediterranean/South-eastern European) crude oil and products prices and domestic demand. The Group's ability, due to the refineries' increased complexity, to process intermediate products (SRAR, VGO) and adjust its crude slate and oil processing levels, considering prevailing refining economics is a key competitive advantage.

In 2014, crude oil prices were highly volatile driven by geopolitical developments and peaked at $115/bbl in June, before declining sharply, amid excess supply that affected supply/demand balances in the Atlantic Basin.

The European refining environment improved during the second half of 2014, on the back of the increased availability of all crude oil grades and the lower relative prices (vs Brent) of crudes available in Europe, reducing the cost of raw material and offsetting the unfavourable environment of the first half. Benchmark Med FCC margins averaged $3.4/bbl, (2013: $2.4/bbl), while Hydrocracking came at $4.5/bbl (2013: $3.7/bbl).

“THE HIGH AVAILABILITY RATES OF OUR 3 REFINERIES LED TO THE HIGHEST PRODUCTION IN THE LAST 7 YEARS.”

NIKOS SKANDALIS
CHIEF TECHNICAL OFFICER

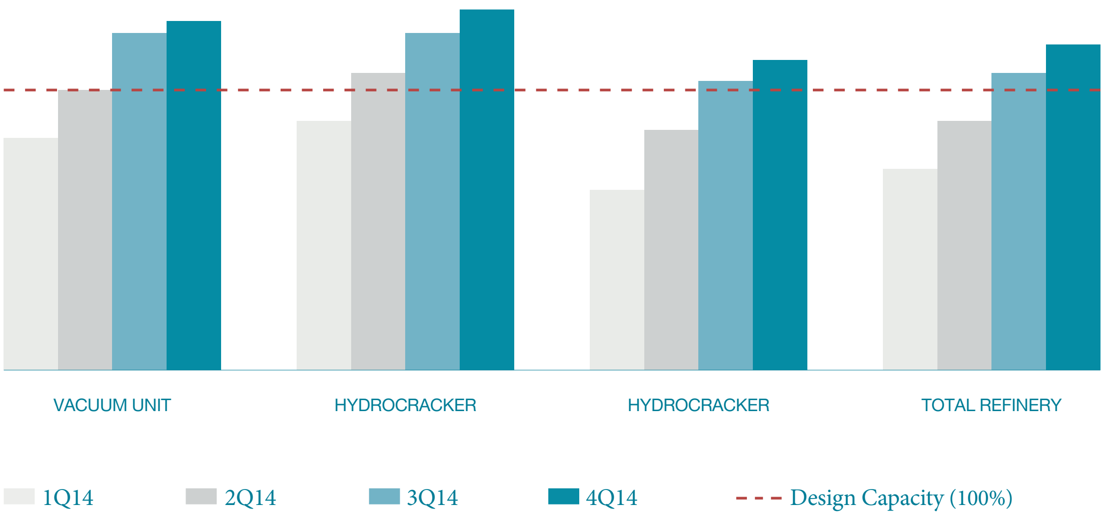
Mediterranean Benchmark refining margins ($/bbl)

Competitiveness improvement initiatives continued throughout 2014, accelerating the transformation program with the aim of improving efficiency in the refining business and controlling operating costs, whilst synergies between the three refineries were achieved, with a positive impact on refining margins.

In 2014, Aspropyrgos, Elefsina and Thessaloniki refineries processed a total of 13.6 million tons of crude oil and other raw materials (intermediates) with a combined production of 12.5 million tons, with the production of middle distillates amounting to 53%.

The Elefsina refinery significantly improved its performance, following the maintenance and improvement works performed in March-April 2014, as targeted interventions were implemented at the processing units, such as the Vacuum Distillation, Hydrocracker and Flexicoker units, with annual benefits of €10 million. In addition, the refinery achieved a utilization rate of over 100% throughout the second half, with all conversion units exceeding their design specifications, contributing significantly to the Group's results, while improving the refinery's environmental footprint.

Elefsina Refinery Utilisation rate 2014 (%)



Aspropyrgos refinery achieved high mechanical availability (99.5%), having completed a 3.5-years run without interruption for maintenance, a performance comparable with the best refineries in Western Europe and North America, significantly exceeding the average for Mediterranean and Eastern Europe. Moreover, performance improvement projects were implemented with substantial economic benefits, especially on energy efficiency. In September 2014, the connection of the refinery to the natural gas network was successfully completed. This project is expected to yield significant savings, as fuel oil can now be substituted by natural gas for own use, when the price of the latter is more attractive. In addition, there are other environmental benefits arising also from the reduction of CO_2 emissions derived from the use of natural gas, as a cleaner fuel.

Thessaloniki refinery also achieved significant improvements; it operated according to plan during most of 2014, with a positive contribution to the Group's profitability. The refinery fully utilised the Catalytic Reformer Unit (CCR) and processed - in addition to its own naphtha production- the naphtha output of the Elefsina refinery. Moreover, its energy efficiency levels were improved following the preventive maintenance works on piping and steam traps.

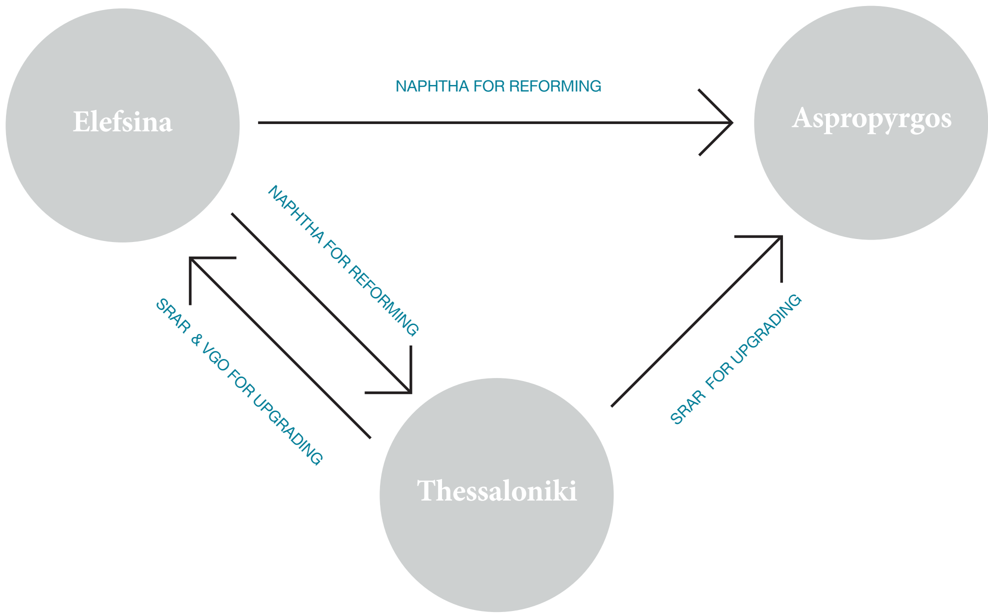
Financial Results and Key Operational Indicators

Financial Results (€ m.)	2014	2013
Sales volumes (MT '000)	13,538	12,696
Adjusted EBITDA	**253**	**57**
PERFORMANCE INDICATORS		
Complex refinery margin (FCC)	$3.4/bbl	$2.4/bbl
Sales	8,818	9,078
Refinery utilisation (% design capacity)	85%	81%
Safety Indicator–AIF	3.7	4.6

New Operating Model of the Group's Greek Refineries System

Following their upgrade, the operation of Elefsina and Thessaloniki refineries has significantly increased the potential for synergies between the Group's Greek refineries. The intra-refinery flow of semi-processed materials produced in the three refineries was close to 10% in 2014, with significant advantages and optimisation potential from a trading and logistics perspective. The main intermediate product flows between the three refineries for further processing and upgrading are depicted in the diagram below:

Schematic presentation of the New Operating Model of the Group's Greek Refineries



“DESPITE THE CHALLENGES IN THE GEOPOLITICAL AND MACROECONOMIC ENVIRONMENT, WE CONSISTENTLY GUARANTEE THE UNINTERRUPTED SUPPLY OF GREEK FUELS MARKETS, WHILE CONSOLIDATING OUR POSITION AS THE MOST IMPORTANT DIESEL EXPORTER IN THE EAST MED.”

CONSTANTINOS PANAS
GENERAL MANAGER SUPPLY & TRADING

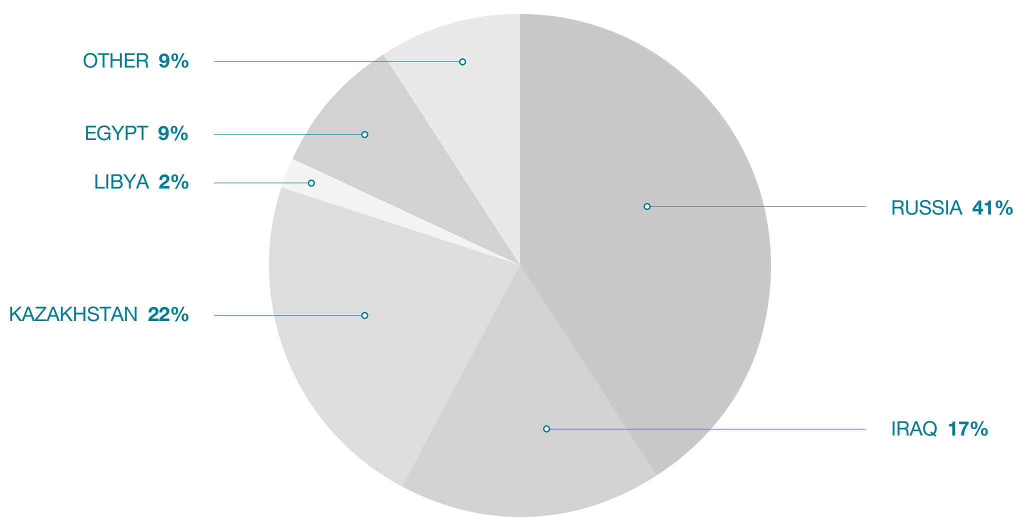
Crude Oil Supply

Crude oil supply is centrally coordinated and carried out through both term contracts and spot transactions. Crude oil market conditions during the first months of 2014 remained challenging, mainly due to the ongoing EU sanctions on Iranian crude exports since 2012 and the political turmoil in Libya and Iraq, affecting the smooth supply of feedstock for refineries, as well as the continued decrease of Russian exports to Europe throughout 2014. In the second half, crude supply surplus, mainly due to increased production in US, that affected global market, as well as in Libya and Iraq with an impact on Med market, resulted in a large oil price drop improving crude oil market environment for refiners in South Europe. HELLENIC PETROLEUM adjusted its crude slate accordingly by decreasing the share of crude oil from Russia (41%) and increasing that from Kazakhstan (22%), Iraq (17%) as well as other sources, subject to available opportunities in the global market. Crude oil imports from Libya (2%) were reduced amid the political developments in the country and reduced production.

The ability to access and the flexibility of the Group's refineries to process a wide range of crude oil constitute one of its main competitive advantages, proving particularly important, both as a contributor for profitability, as well as in respect to the company's ability to respond to sharp supply shortages of specific grades of crude oil, thus ensuring the uninterrupted supply of the markets where the Group operates.

Moreover, the ability to further process intermediate products enhances the Group's profitability potential. In 2014, the share of intermediates (mainly SRAR and VGO) in the refineries' total feedstock accounted for 17%, unchanged versus 2013, with a significant differentiation however between the first and second half, highlighting the capability of Refining, Supply & Trading to exploit opportunities in the international oil market.

Crude Oil Supply Sourcing 2014



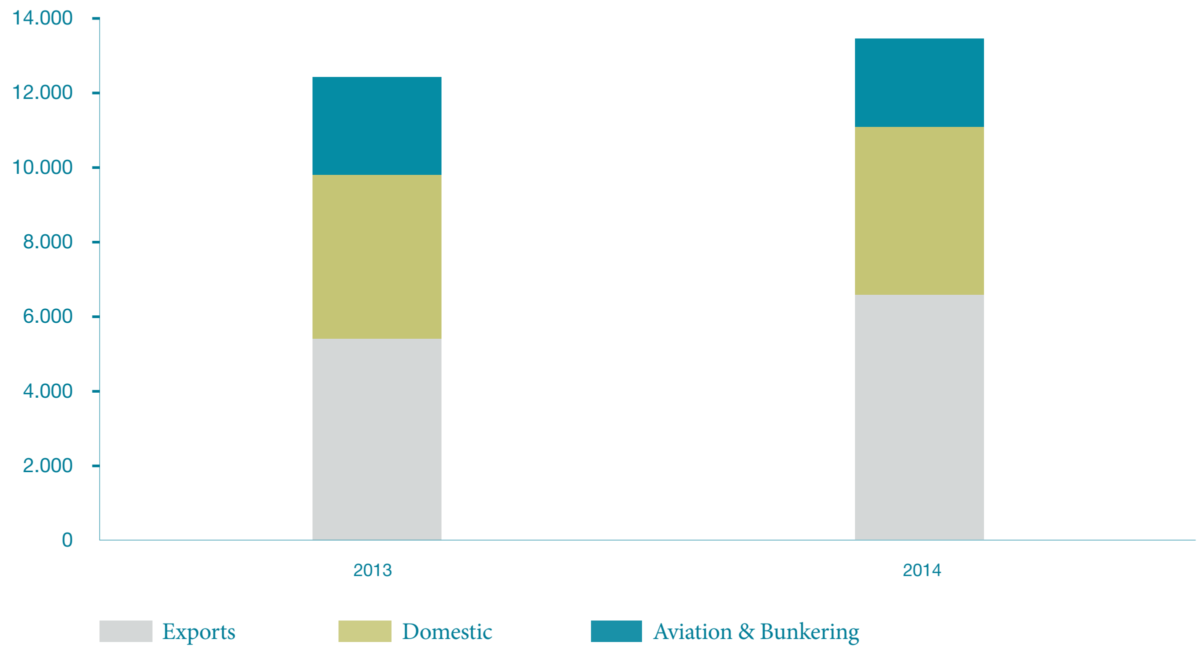

EKO

Refinery Sales (Wholesale Trading)

Oil products sales are conducted by the parent company HELLENIC PETROLEUM S.A. to the fuels marketing companies in Greece, including subsidiaries EKO and HELLENIC FUELS, as well as to certain special customers, such as the country's armed forces, whilst approximately 50% of production is being exported. All Group's refined products comply with the prevailing European standards.

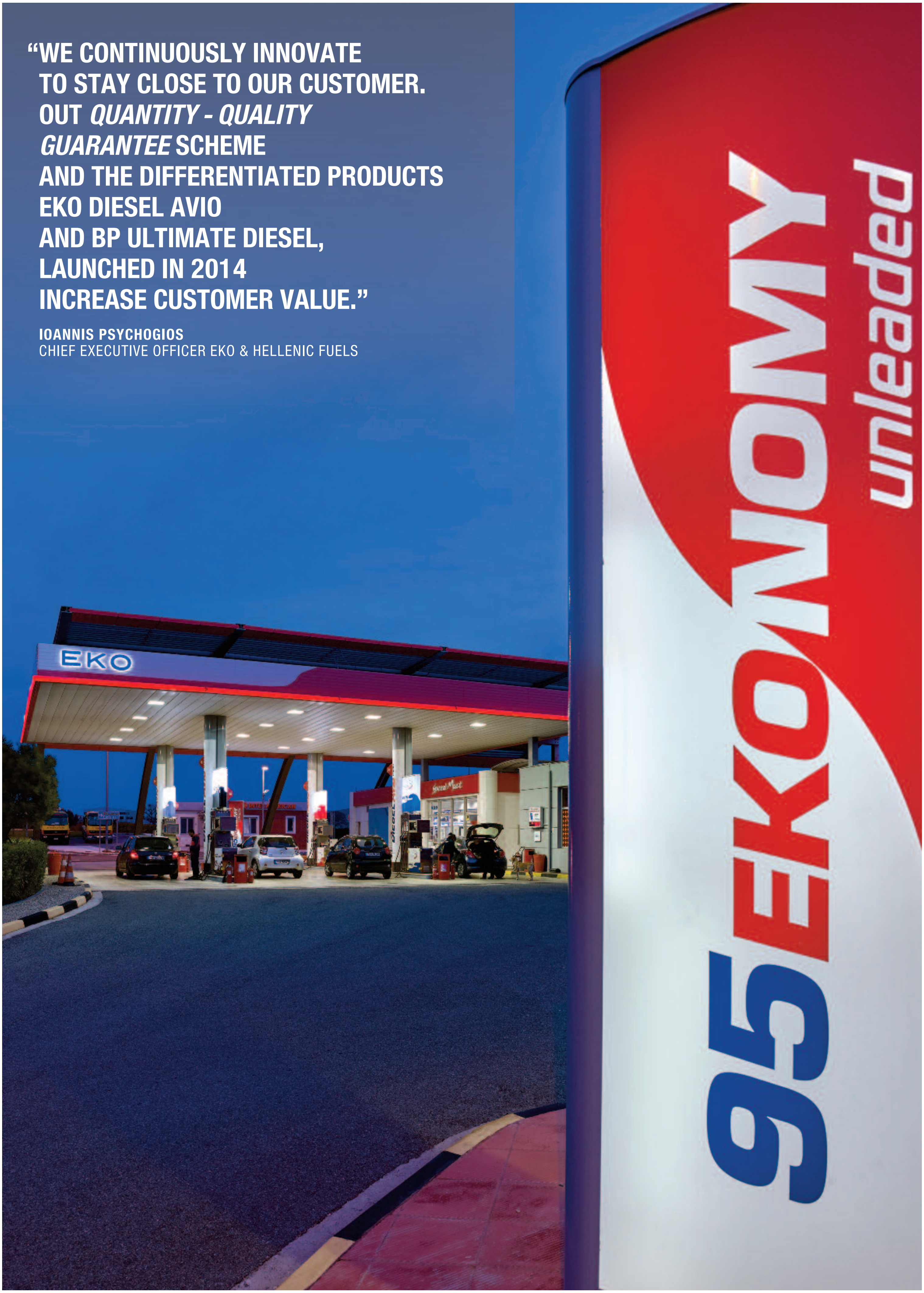
In 2014, the Group's total sales from its domestic refineries increased by 7% amounting to 13.5 million tons, the highest levels in the last five years, mainly due to a 19% increase in exports, which came at 6.6 million tons, having almost tripled in the last three years. It is noted that sales in the fourth quarter reached almost 4 million tons, the highest ever. An increase of 3% to 4.6 million tons was also recorded in domestic market sales, mainly due to higher diesel consumption, as well as the recovery in demand for heating gasoil, with the Group maintaining its market share at the same levels as in 2013. An increase of 13% to 636 thousand tons was recorded in aviation fuel sales due to higher air traffic, whilst bunkering sales amounted to 1.6 million tons (-14%).

Sales per trade channel (MT '000)



“WE CONTINUOUSLY INNOVATE TO STAY CLOSE TO OUR CUSTOMER. OUT *QUANTITY - QUALITY GUARANTEE* SCHEME AND THE DIFFERENTIATED PRODUCTS EKO DIESEL AVIO AND BP ULTIMATE DIESEL, LAUNCHED IN 2014 INCREASE CUSTOMER VALUE.”

IOANNIS PSYCHOGIOS
CHIEF EXECUTIVE OFFICER EKO & HELLENIC FUELS



Activities outside Greece

Group's international refining activities refer to the OKTA in Skopje, FYROM. OKTA is connected to Thessaloniki refinery through a pipeline for the transportation of high value-added products (e.g. diesel). The location of the refinery is one of its significant competitive advantages for the domestic distribution of products through marketing companies, as well as for exports to neighbouring Balkan markets. OKTA is focused on the trading and marketing of petroleum products with sales of 516 thousand tons in 2014.

Fuels Marketing

HELLENIC PETROLEUM Group is active in the marketing and distribution of petroleum products, both in Greece through its subsidiaries EKO S.A. and HELLENIC FUELS LTD, as well as internationally through its subsidiaries in Cyprus, Bulgaria, Serbia, Montenegro and FYROM. The Group takes advantage of the significant synergies among its networks in Greece and SE Europe in the areas of marketing and commercial policy through sharing best practices and successful products.

Financial Results and Key Performance Indicators

Financial Results (€ m.)	2014	2013
Sales	3,220	3,345
Reported EBITDA	80	63
Adjusted EBITDA	90	68
PERFORMANCE INDICATORS		
Sales Volumes (M/T '000) – Total	4,131	4,043
Sales Volumes (M/T '000) – Greek network	3,052	2,971
Greek network (no. of petrol stations)	1,716	1,816
International network (no. of petrol stations)	287	279

Domestic Marketing

In Greece, EKO's network of petrol stations amounts to 900 out of a total of 5,500 petrol stations in the country, whilst Hellenic Fuels operates another 816 petrol stations under the BP brand name. The two companies combine 15 bulk storage and supply terminals, 23 aircraft refuelling stations located at major airports, 2 LPG bottling plants and 1 lubricant and packaging unit; including industrial customers, their market share amounts to c. 30%.

Despite a slight recovery in the domestic petroleum products market, challenges in the fuels marketing environment continued mainly due to low demand levels and liquidity problems. This resulted in an increase in competition and a further contraction of the active petrol stations network. Approximately 2,500 petrol stations are estimated to have exited the retail market over the last five years.

ΠΡΟΓΡΑΜΜΑ
GUARANTEE
EKO

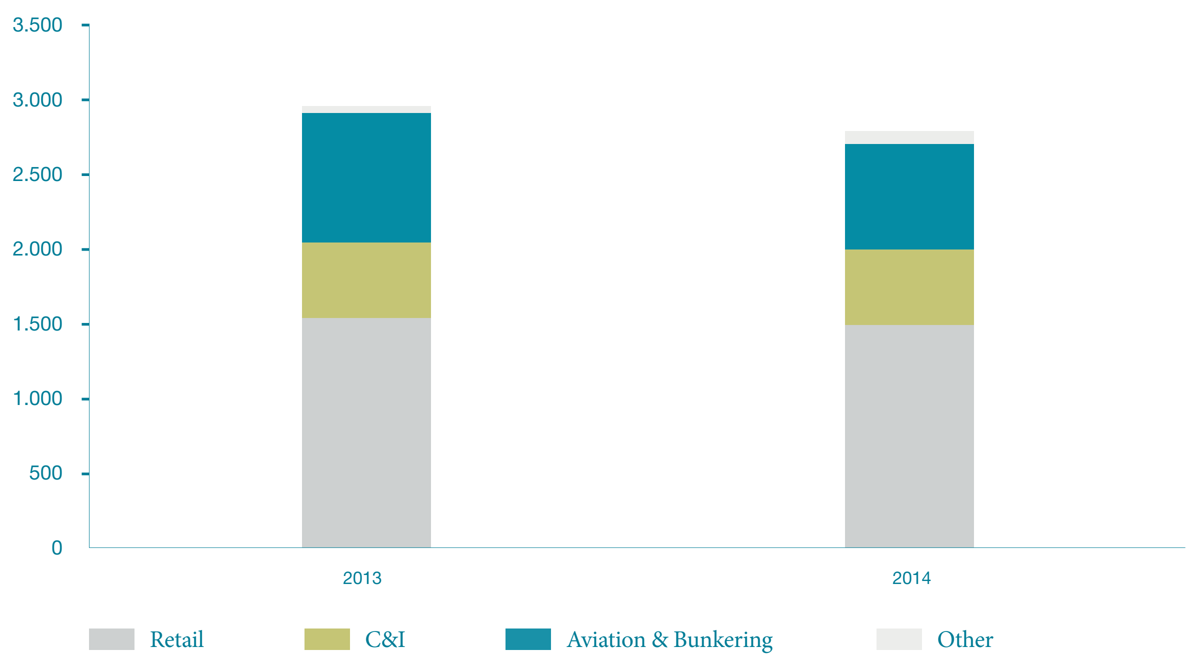
The Group's main strategic objectives, in this challenging business environment, were extroversion, innovation and operational optimisation, with the objective to increase the value offered in all fuels marketing activities. The successful implementation of this strategy is reflected in the fact that the Group has maintained its leading position in the market, increasing its share in key products, while growing profitability by supplying competitive and quality fuels and lubricants. On this note, the Group has successfully completed during the year the launch of two innovative differentiated products, the new EKO Diesel Avio and BP Ultimate Diesel.

In 2014, the Group significantly expanded its COMO network, from 90 to 139, whilst substantial synergies between the two marketing networks, EKO and Hellenic Fuels, were realised in order to achieve the efficient and safe transportation of products at a more competitive cost, ensure for the proper network service, as well as to reduce the support services cost.

In particular, Retail recorded a significant improvement in profitability, whilst the Commercial & Industry, LPG marketing, Aviation and Marine fuels also increased performance, despite the challenging environment, through cost control and targeted commercial policy.

For 2015, the Group aims to increase the market share of its marketing companies, while also to improving their operating profitability and liquidity. The main pillars of the competitiveness improvement plan are the optimisation of operations and the further enhancement of the value offered to consumers, with innovative products and high quality services at competitive prices.

Domestic Marketing Sales (MT '000)



International Marketing

The international petrol stations network amounts to 287 in total. In Cyprus and Montenegro, our local subsidiaries Hellenic Petroleum Cyprus and Jugopetrol respectively, are leading players in their markets. In Bulgaria and Serbia, where activities began with the establishment of a new company, the Group's subsidiaries EKO Bulgaria and EKO Serbia have recorded rapid growth post 2005 and are now amongst the top five in their respective markets. In FYROM, the network of 26 petrol stations carries the brand of the Group's local refining subsidiary, OKTA.

All of the countries in which the Group operates continued to be affected by the recession in Europe throughout 2014, which resulted in reduction of the overall fuel consumption compared to the previous year. However, the Group's international subsidiaries recorded the highest profitability historically, due to strong operational performance and cost control. In addition, the Group has reviewed the retail supply chain model of international marketing subsidiaries increasing the vertical integration with the refineries of the Group and strengthening relations with local suppliers to improve supply terms. In addition, the "Guarantee Program EKO" as well as differentiated products such as "Diesel Avio" and "EKONOMY" series have been introduced with success to the markets of Cyprus, Bulgaria Serbia and Montenegro.

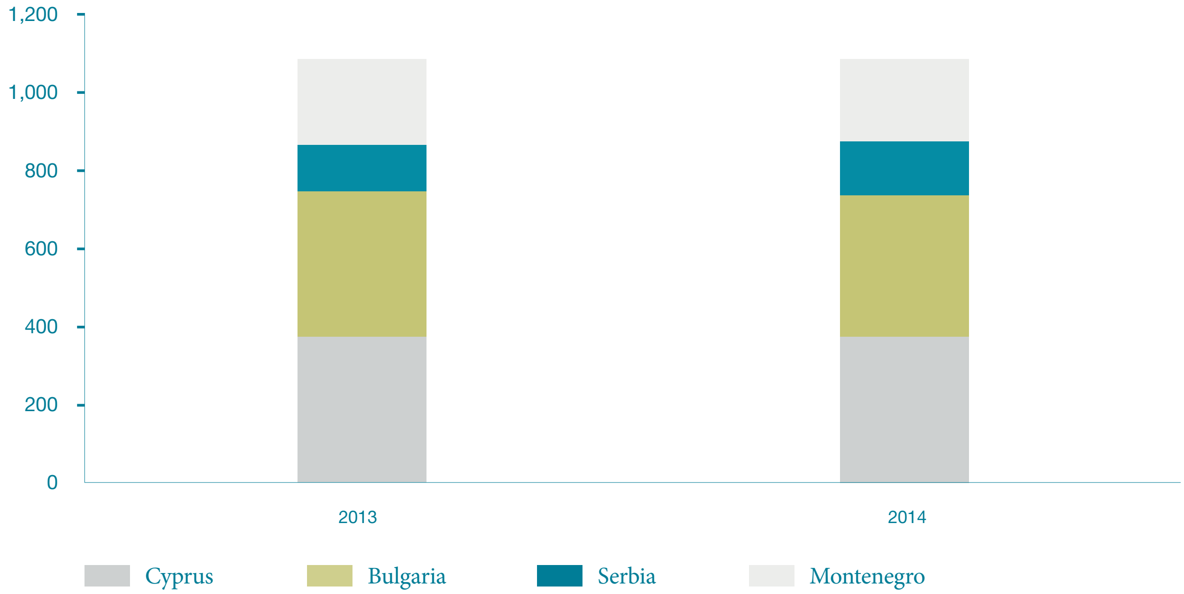
In **Cyprus**, our companies, Hellenic Petroleum Cyprus and Ramoil were affected by the recessionary environment and the financial issues that had a negative impact on sales volumes. However, profitability improved due to reduced operating costs. Efficiency improvement as well as managing credit risk exposure will remain key priorities for 2015.

EKO **Bulgaria** faced increased competition especially in the second half of the year, with an impact on its profitability, but managed to maintain and slightly increase sales volumes and market shares. The main objective of EKO Bulgaria for 2015 is to further increase market share through a targeted network expansion.

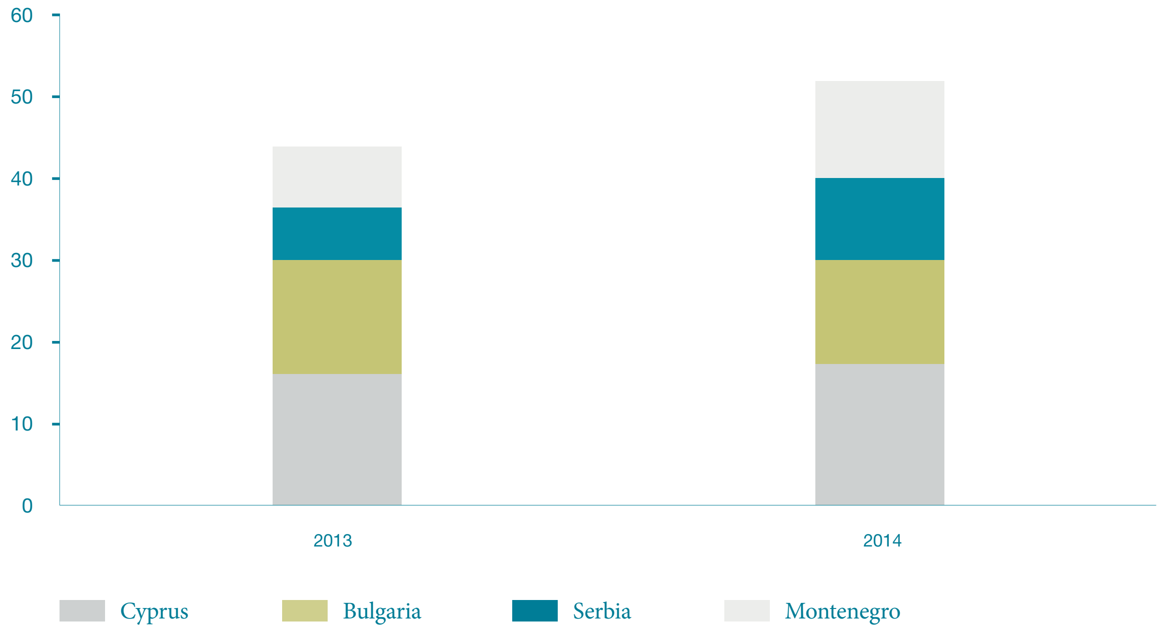
EKO **Serbia** showed a significant recovery with increased sales volumes, despite the lower demand observed in the market due to macroeconomic conditions. The improvement came as a result of the reorganisation of the network and successful marketing initiatives. Further improvement is expected in the coming years through network expansion.

In **Montenegro**, Jugopetrol managed to significantly increase its profitability, despite the difficulties of the local economy, through successful organisational restructuring, which included moving company's headquarters from Kotor to Podgorica. Challenges in the Montenegrin fuels market are expected to continue in 2015.

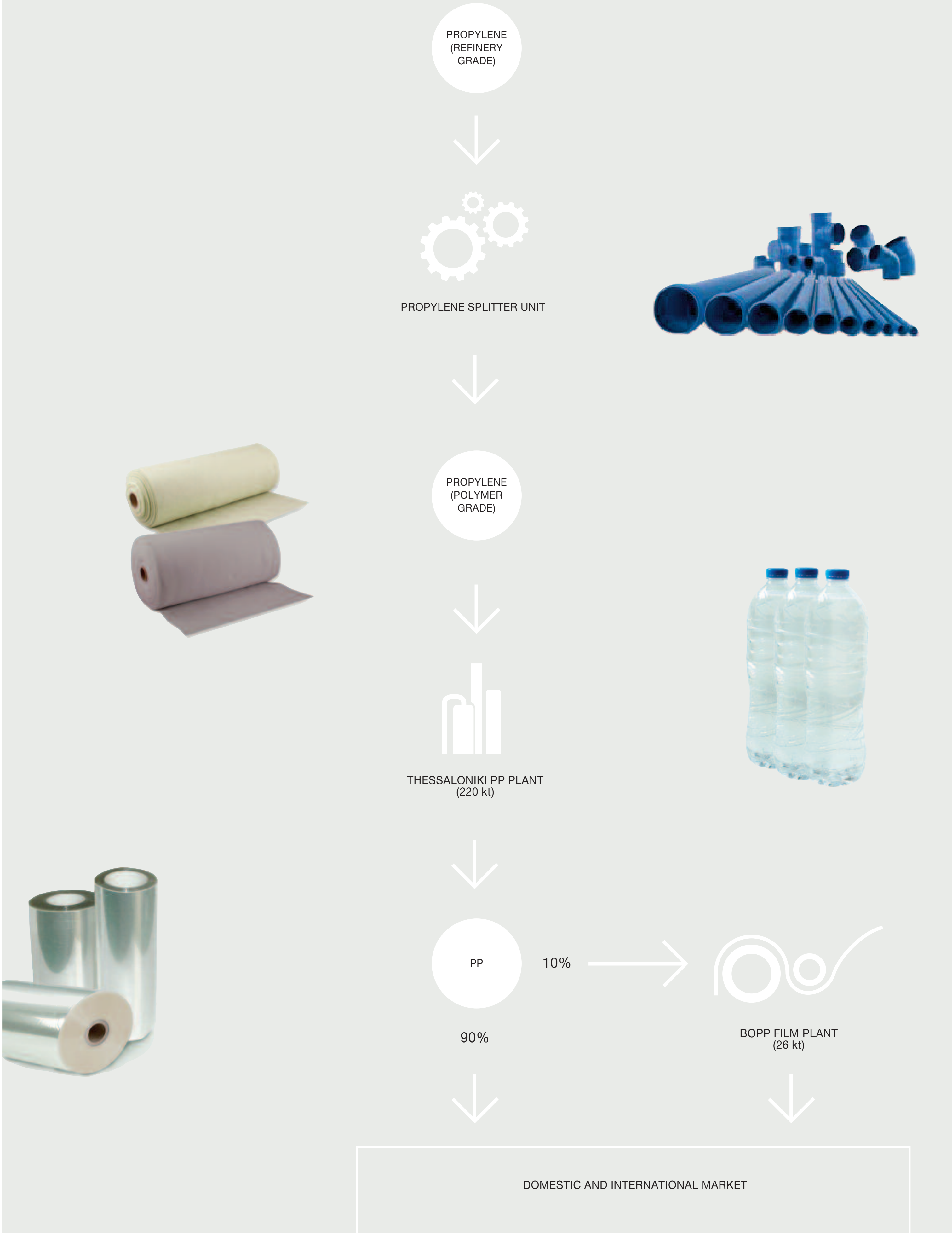
Sales Volumes of Main International Markets (MT '000)



EBITDA Contribution in Main International Markets (€ m.)



Polypropylene Value Chain



Production and Trading of Petrochemicals/Chemicals

Financial Results and Key Performance Indicators

Financial Results (€ m.)	2014	2013
Sales	322	327
Adjusted EBITDA	**81**	**57**
PERFORMANCE INDICATORS		
Sales Volumes (M/T ’000)	236	295
Polypropylene Margin ($/MT)	517	411

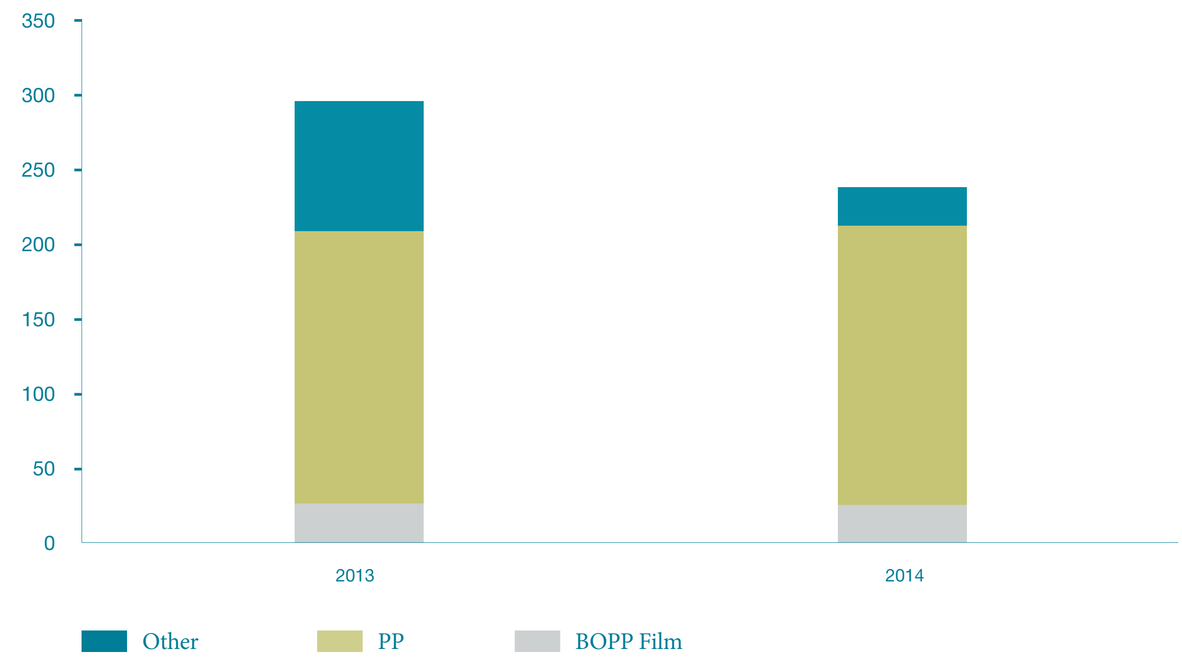
Petrochemical activities primarily focus on the further processing of refined products such as propylene, polypropylene, solvents and minerals as well as their marketing in the domestic and international market. Propylene is produced in Aspropyrgos refinery, while most of the chemical plants are located in the Thessaloniki refinery. The production of polypropylene is based on the internationally recognised Basel technology.

Based on its contribution to Group’s financial results, the propylene and polypropylene value chain constitutes the main activity of petrochemicals business. Export trading particularly important, as 60–65% of sales volumes are directed the Turkish, Italian, N. African and Iberian markets, where they are used as raw material in local manufacturing.

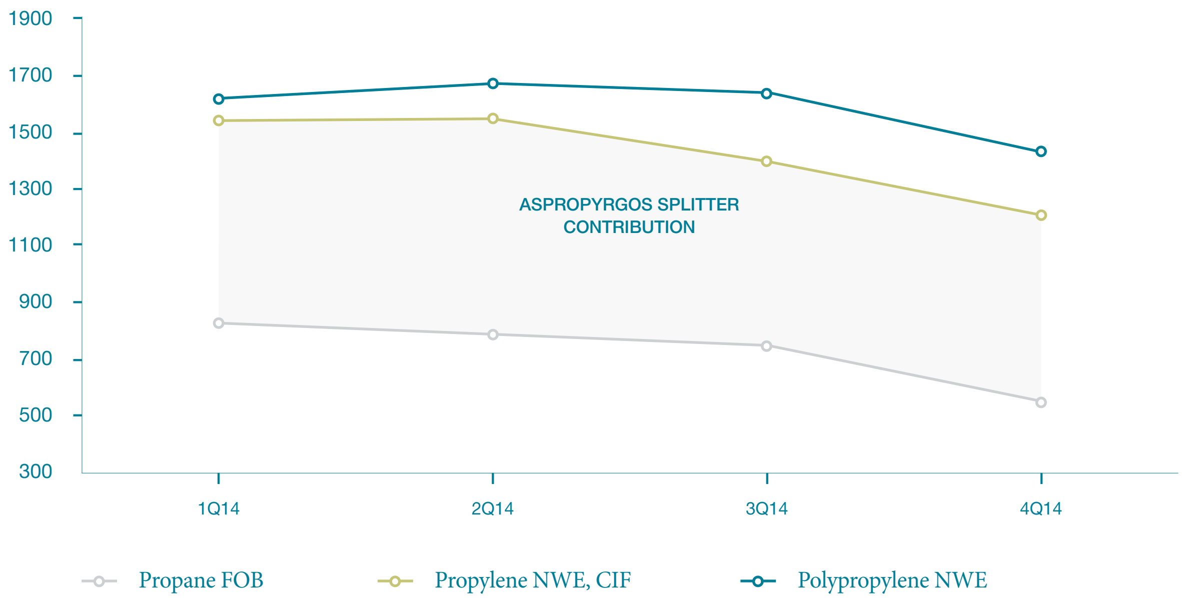
For most of 2014, the international Petrochemicals business was characterised by improved demand and prices, in contrast with the Greek market where demand remains weak due to the economic conditions.

The Aspropyrgos refinery production of propylene increased, leading to a high level of vertical integration in propane-propylene-polypropylene (PP) value chain with a positive impact on profitability. PP and BOPP film sales also increased by 2.3% with the business maintaining its export orientation, as more than 60% of sales were directed towards selected markets in the Mediterranean. In the BOPP film sector, new products were developed and the Group expanded into new markets, which in combination with cost control initiatives and improved commercial performance in the petrochemical industry overall, led profitability to historic high. Total sales of Petrochemicals were affected by the restructuring of the caustic soda production.

Petrochemical Sales (MT '000)



Evolution on international polypropylene value chain prices 2014 ($/T)



Exploration and Production

In 2014, Group's activities were focused in Greece, through the participation of HELLENIC PETROLEUM as an Operator (33.3%) in an international joint venture for the lease of the offshore region of the Patraikos Gulf and in Egypt, through participations in international consortia in the areas of West Obayed (W. Desert) and Mesaha (Upper Egypt).

In the Patraikos Gulf area, the minimum committed works for the first three year exploration phase includes, amongst others, the recording of 3D seismic studies of a total area of 800 sq. km. and 2D regional lines of length of 300 km. In the fourth quarter of 2014, the first geological studies in the area started. Furthermore, the company continued the study of available exploration data of both offshore and onshore regions of Western Greece in preparation for a possible submission in an international tender announced by YPEKA. On this context, on 6 February 2015, HELLENIC PETROLEUM submitted an offer for the lease of Arta-Preveza and NW Peloponnese areas, following a relevant tender issued by the Ministry of Production Restructuring, Environment & Energy.

In West Obayed, in October 2014, the consortium (HELPE 30%, VEGAS 70%) executed the last obligatory exploration drilling, which did not produce any positive results. After the refusal of the state company EGPC to renegotiate the term of the Contract's duration and the executing of additional drilling, the consortium unanimously decided to relinquish from the area (5 December 2014).

In the Mesaha region, the consortium (Petroceltic, HELPE, KEC and Beach Petroleum) unanimously decided to return the area to the state company GANOPE following the results of the exploratory drilling Mesaha 1x and without having any remaining financial obligations.

Renewable Energy Sources (R.E.S.)

HELLENIC PETROLEUM RENEWABLE ENERGY SOURCES S.A. (HELPE Renewables) was founded in 2006 and is a 100% Group-owned subsidiary. The Company's objective is the production, distribution and trade of energy products derived from the exploitation of renewable energy sources as well as the study, trading, construction and installation of renewable energy systems (wind, solar, biomass etc.).

HELPE Renewables' target is the development of a significant renewable energy portfolio (wind, solar, biomass etc.), over the next few years, diversifying thereby its energy portfolio and partial offset of the Group's greenhouse emissions. The reduction of its carbon footprint will amount to at least 250,000 tons per year, offsetting a significant proportion of CO_2 emissions that correspond to refining and gas-fired power generation.

HELPE Renewables already operates PV parks on Group-owned property with a total capacity of 1.4 MW as well as a 7 MW wind park in Pylos, Messinia. Further projects in various stages of development include: 3 additional PV projects with a nominal capacity of 11 MW, as well as 5 heat & power generation units from biomass (agricultural waste) with a total capacity of 25 MW.

In addition, HELPE Renewables, in collaboration with LARCO, is developing a PV portfolio of 148 MW as well as wind and hybrid projects.

Engineering

ASPROFOS constitutes the largest Greek engineering and energy consulting services provider in South-eastern Europe. It operates in accordance with internationally accepted standards and practices, certified by ISO 9001:2008, ELOT 1429:2008, ISO 14001 and OHSAS 18001.

During 2014, it employed 195 professionals. ASPROFOS directly supports the Group's investments particularly in the field of refining and natural gas, through the provision of a broad range of technical, project management and other related advisory while it is continuously differentiating the range of its services, increasing its client portfolio, diversifying away of both the Group and Greece.

In 2014, the Company's revenues reached €8.5 million through the provision of services in 120 projects, the most important of which are outlined below:

- Aspropyrgos refinery: Studies for the energy saving of processing units.
- Elefsina refinery: Detailed design of operational improvements of the flexicoker and the supply of natural gas.
- DESFA network and facilities projects: Overseeing the construction of the natural gas pipeline between Ag.Theodoroi and PPC Megalopolis.
- Detailed study & supervision of construction of the 3rd L.N.G. tank of Revythousa terminal.
- T.A.P. pipeline projects: Environmental and Social Impact Study and technical advisory services for the second phase of the T.A.P. pipeline study.
- Other clients' projects: Studies for the upgrade of the Riejka (INA) refinery in Croatia.
- Feasibility study on the interconnection of Malta to the European gas grid.
- Provision of technical consultancy services and supervision of the construction of a terminal for VTTV in Cyprus.

Participations in Power Generation and Natural Gas

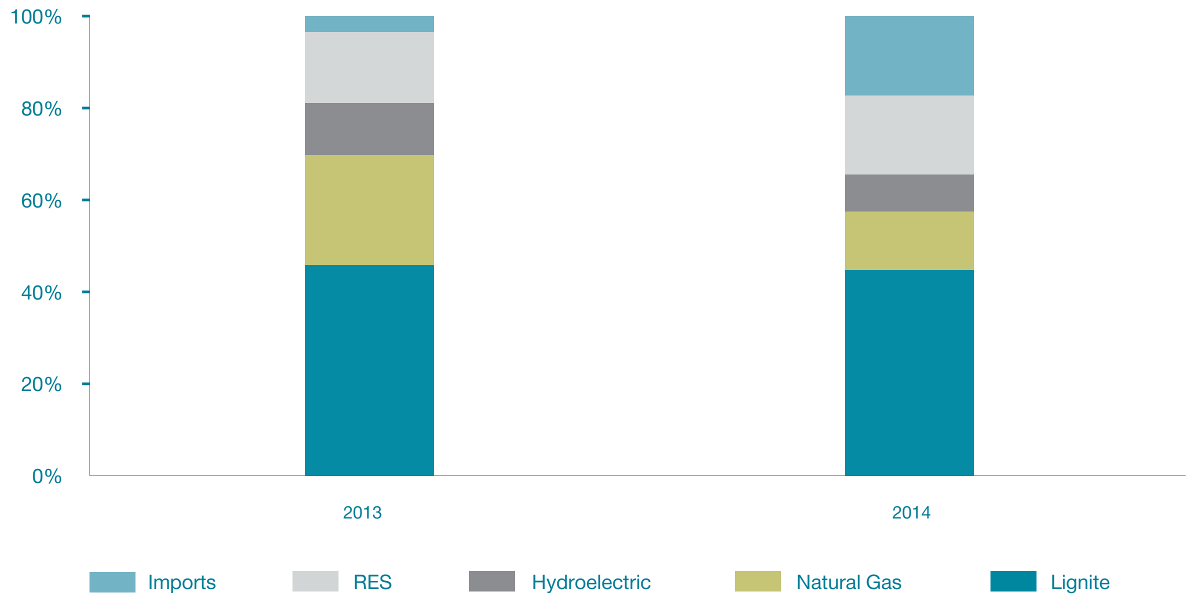
Power Generation

The Group's power activities focus mainly on electricity generation through ELPEDISON POWER and trading both cross-border, as well as in the Greek market through ELPEDISON ENERGY. Both companies are controlled by ELPEDISON BV (50% HELLENIC PETROLEUM S.A., 50% EDISON), which holds 75.78% in each of the abovementioned companies' share capital. ELPEDISON POWER merger with ELPEDISON ENERGY is currently in process and it is expected to be completed in 2015.

ELPEDISON Power is the second largest independent power producer in Greece, with total installed CCGT capacity of 810 MW, comprising a 390MW gas-fired plant in Thessaloniki since 2005 and a 420MW in Thisvi since 2010.

ELPEDISON ENERGY is one of the largest alternative electric power suppliers with sales of 400 GWh (2014) to MV and LV customers.

Greek Energy Mix (%)



Natural Gas

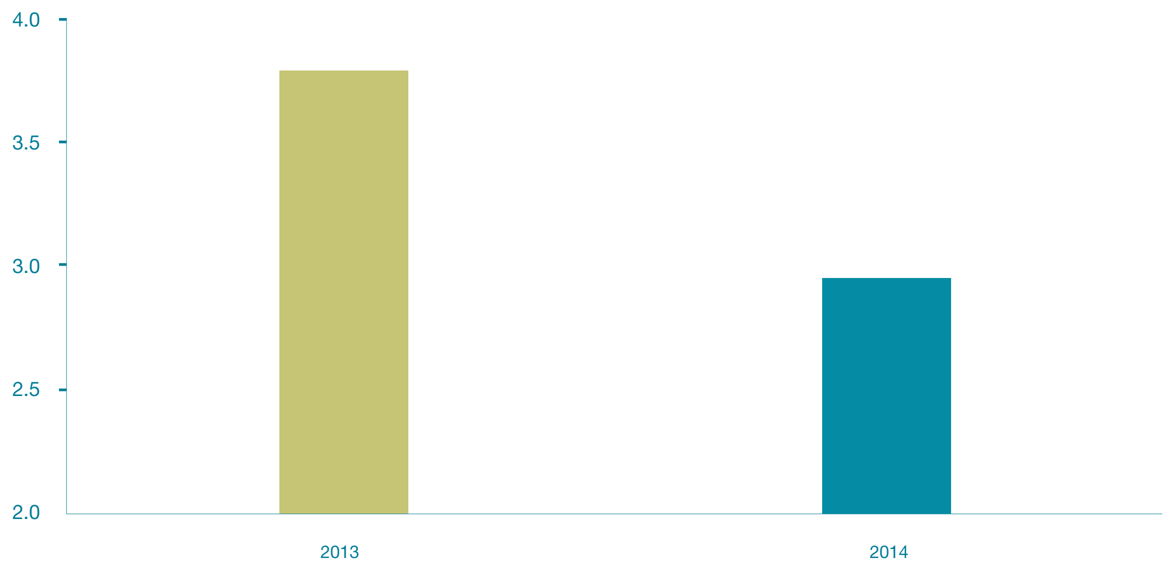
The Group is active in the natural gas sector through its 35% participation in DEPA SA, while the remaining 65% is owned by the Greek State. DEPA Group is active in the supply of natural gas in Greece, through import pipelines and the Revithoussa LNG terminal, as well as in the trading of natural gas to selected end-users (annual consumption >100GWh). DESFA, part of DEPA Group, manages and develops the National System of Transmission for Natural Gas. DEPA also holds a 51% share in local supply companies (EPAs), which distribute Natural Gas to customers with average annual consumption <100GWh through the low pressure gas network. Finally, DEPA also participates in international natural gas transportation projects.

On 16 February 2012, Hellenic Petroleum SA and the Hellenic Republic Asset Development Fund ("HRADF") agreed to launch a joint procedure for the sale of their share in DEPA Group, with a view to sell 100% of the supply, marketing and distribution activities, as well as the 66% participation share in the high pressure gas transportation network of (DESFA SA – 100% subsidiary of DEPA SA).

The sale process has resulted in a binding offer for the purchase of 66% of DESFA, from SOCAR (National oil and gas company of Azerbaijan), which amounted to €400 m, while the amount corresponding to 35%, which is owned by HELLENIC PETROLEUM SA amounts to €212 m.

On 21 December 2013, the Share Purchase Agreement was signed, and the closing of the transaction is subject to the approval of the European Commission competition authorities.

DEPA Sales Volumes (bcm)



SAFETY, ENVIRONMENT, SOCIETY

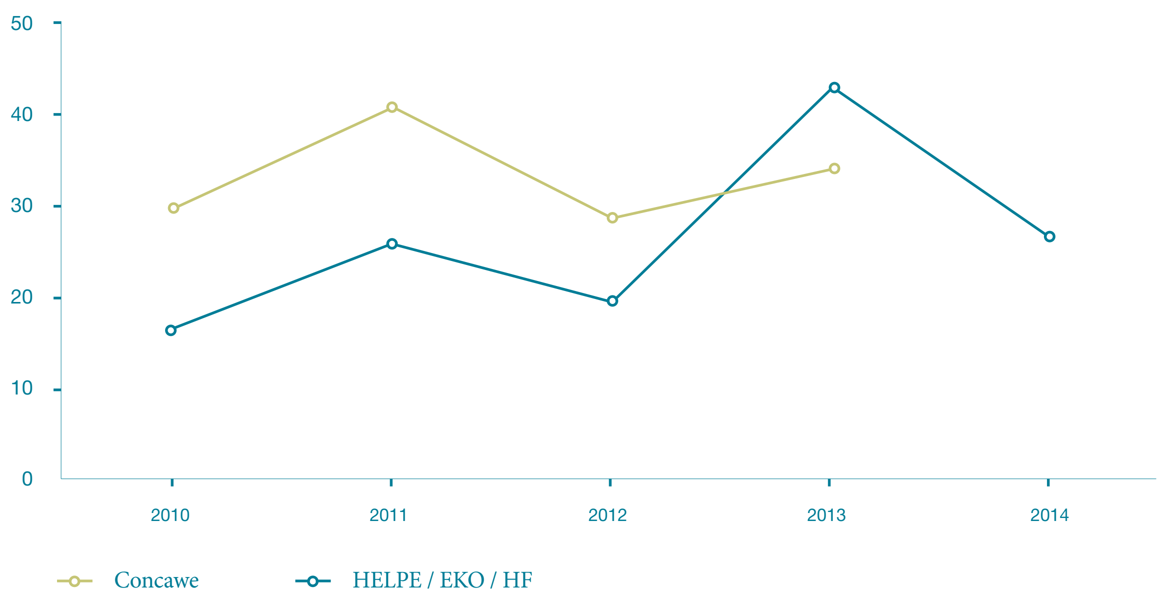

ΕΛΛΗΝΙΚΑ ΠΕΤΡΕΛΑΙΑ
ΒΙΟΜΗΧΑΝΙΚΕΣ ΕΓΚΑΤΑΣΤΑΣΕΙΣ ΑΣΠΡΟΠΥΡΓΟΥ

Safety

Safety at Group's facilities and its continuous improvement remain at the core of its strategy. In this context, the Group reviews its safety performance through measurement of globally established indicators and benchmarks. Over the five year period 2010–2014, the LWIF index (Lost Workday Incident Frequency) for the Group's employees and contractors improved by 15%, in line with the sector performance at European level, despite the implementation of the two major upgrading projects and start-ups at the Elefsina and Thessaloniki refineries. In the same period, the corresponding Lost Worktime Injury Severity (LWIS) Index was 30% below the European average, significantly improved compared with 2013, while the Process Safety Event Rate index (PSER) fell by 70% from 2010 to 2014, in line with the European average downward trend.

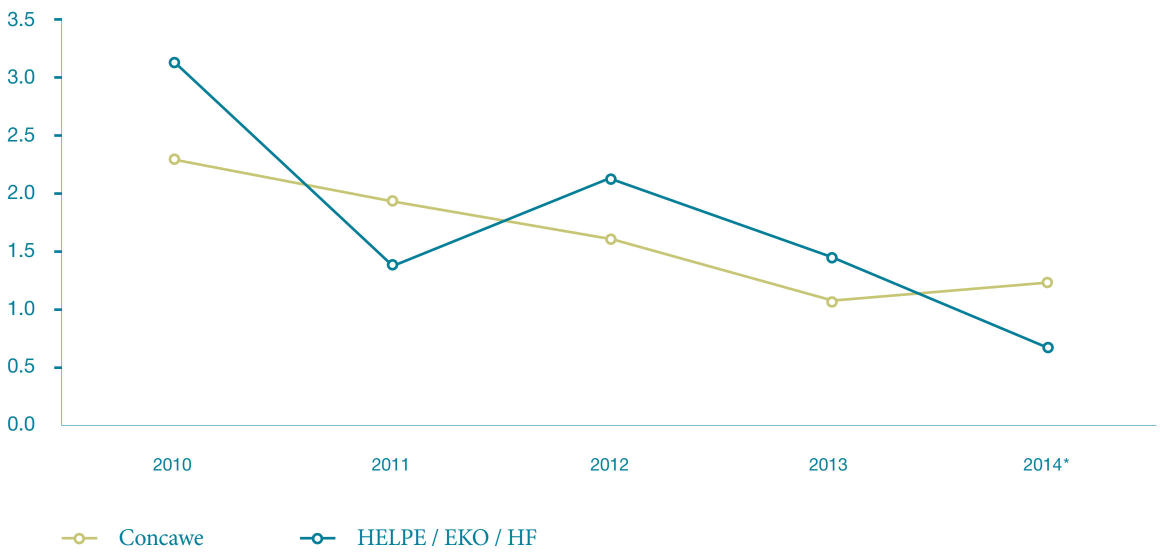
Furthermore, in 2014 three Group's facilities (Thessaloniki Refinery, headquarters and DIAXON) completed hundreds of thousands of man-hours without lost worktime accident, an achievement driven by the improvement of indicators and culture. In addition, a number of personnel training sessions on security issues took place, as well as major inspections in both manufacturing and logistics facilities.

LWIF Index* (Lost Worktime Injury Frequency)



* Number of lost working days because of of accidents of absence per accident. 2014. CONCAWE data not available.

PSER Index** (Process Safety Event Rate)



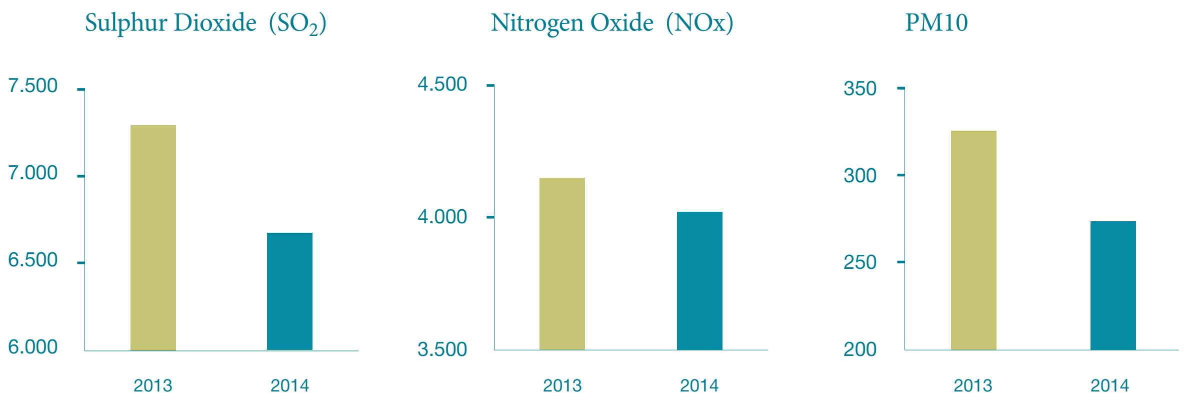
Environment

The two €1.7 bn upgrading projects of Elefsina and Thessaloniki refineries which have been fully operational in the last two years resulted in a significant improvement in the refineries' environmental footprint and the air quality in their surrounding areas.

During the operation of the Elefsina refinery in 2014, the improvement in its emissions was material, exceeding the estimates of the approved Environmental Impact Study (EIS). Indicatively, after the completion of the project, sulphur dioxide emissions (SO_2) decreased by 80% versus 70% as per the EIS, whilst nitrogen oxides (NOx) decreased by 30% against 1% expected by the EIS. In addition, the improvement in air quality of neighboring areas was also significant, as recorded by both the environmental station in the refinery, as well as the Municipality's monitoring station. Specifically, the recorded concentrations of SO_2 were zero, whilst concentrations of NOx were 78% lower than the statutory limit and 12% lower than the initial estimates of the National Technical University of Athens. In 2014, all three refineries recorded a reduction in the main categories of gas emissions (sulphur dioxide, nitrogen oxides and particles), while at the same time they remain well below the statutory limit.

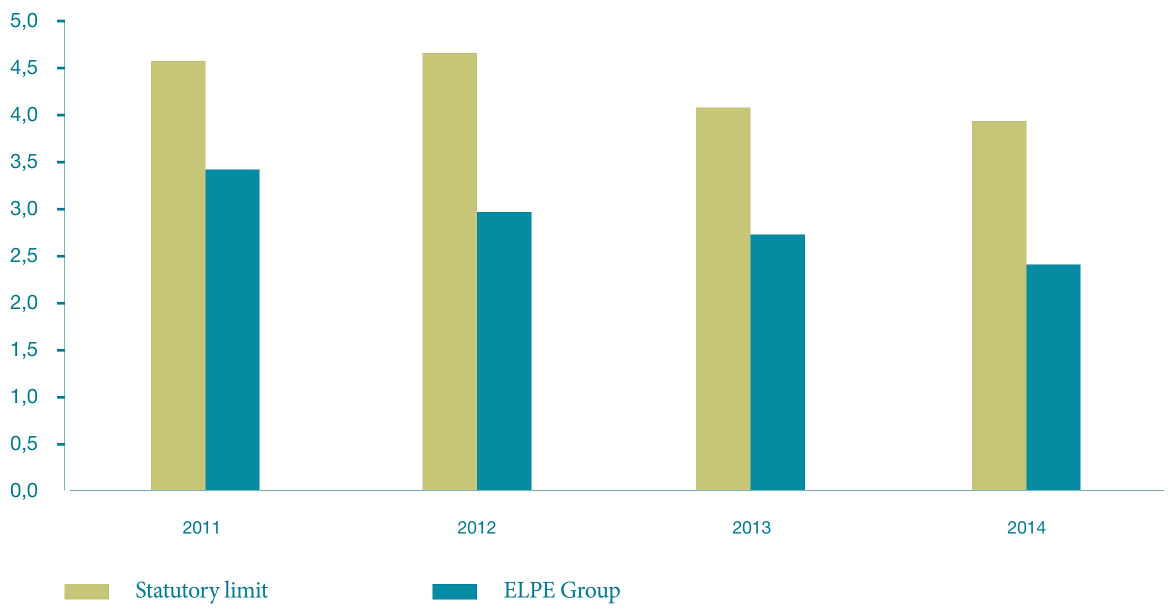
** Number of all leaks (PSI-1 and 2) in Refining and Marketing per one million man-hours. Provisional figures for 2014.

Air Emissions (in tonnes)



The positive performance in the quality of treated wastewater also continued in 2014 with the average of the three refineries, with regards to the hydrocarbon content of treated wastewater 40% lower than the statutory limit.

Indicator of Hydrocarbon content of treated wastewater (gr H/C per throughput tonne)



Finally, regarding the participation of the Group's refineries to the European Emissions Trading System (EU ETS), in 2014 all procedures included in the new European regulations of the third phase of the system (2013–2020) were successfully completed; at the same time the implementation of the strategy for increasing energy efficiency and reducing CO_2 emissions continued.

Social Product

HELLENIC PETROLEUM has defined its stakeholders as parties with which it communicates converses or cooperates, or who possess a direct/indirect interest to their operations

Interested parties include:

- Shareholders / investors
- Customers
- Employees
- Suppliers
- Society
- the State

The strategy and all of the Group's activities aim at establishing relationships with the abovementioned stakeholders so that the Group can respond and comply with their needs, minimise the risks associated with its reputation and operation, as well as benefit from the competitive advantages generated through this interaction.

HELLENIC PETROLEUM defines its social product as the financial contribution that is made towards our key stakeholders excluding its consumers/suppliers. The Group makes significant investments, retains a considerable number of employment positions and contributes to the improvement of the economy in the countries that operate through indirect impact on growth, employment and national product. In addition, the group through its activities collects and pays to the authorities an important part of indirect taxes (excise duty and VAT). Finally, Group's contribution to the wider society through targeted interventions, within the context of Corporate Social Responsibility, was substantial with emphasis on socially vulnerable groups and support of the youth. In 2014, the Group's turnover was €9,478 million and the social product amounted to €1.8 bn distributed as follows:

- €194 m to staff (salaries and social benefits)
- €64 m to investors/shareholders (dividends/other distributions)
- €66 m directly to the Greek State through direct taxes and insurance contributions, as well as €1,4 bn of indirect taxes (excise duty, VAT) collected and delivered to the Greek State
- €3 m to society through Corporate Social Responsibility initiatives

RISK
MANAGEMENT

Risk Management

Main risk factors and mitigating measures

The Group is exposed to a variety of macroeconomic (foreign exchange, crude oil price, refining margins), financial (capital structure, liquidity, cash flow, credit), as well as operational risks. In line with international best practices and within the context of the local markets and regulatory framework, the Group's overall risk management policies aim at reducing possible exposure to market volatility and / or mitigating its adverse effects on the financial position of the Group to the extent possible. The main risks faced by the Group, as well as the corresponding mitigating measures are described below:

Main risks	Indicative mitigating measures
MACROECONOMIC ENVIRONMENT GREEK CRISIS: • Reduced demand • Borrowing cost and exposure to Greek banking system • Credit risk • Economic environment stability	• Export oriented model of Refining, Supply & Trading, with international sales accounting for 50% of total • Issue of Eurobonds, reducing the exposure to the Greek banking system and borrowing cost • Significant percentage of gross refining margin dependent on prices of both crude oil and petroleum products • Continuous monitoring of domestic economic environment and corresponding adjustment of the company's strategy
FOREIGN EXCHANGE RISK: • Gross margin conversion • Financial position translation	• All trading transactions of crude oil and petroleum products both domestically and internationally in dollars, converting into local currency on the transaction date • Hedging subject to market conditions • Balance sheet management to match monetary exposure (assets – liabilities)
CRUDE OIL MARKET: • Price • Refining Margins	• Framework for managing commercial risks involving executive members of the Group • Balancing purchases with sales per period in order to reduce exposure to price changes • Refineries of high complexity and competitiveness with financial performance exceeding the average of European refineries and overperformance vs benchmark margins • Hedging subject to market conditions

FINANCIAL RISKS	
• Capital structure	• Diversification of funding mix • Improvement of debt maturity profile based on market conditions • Reduction of borrowing cost • Reduction of indebtedness (deleverage)
• Liquidity	• Maximize cash from operating cash flow and available credit lines (headroom) • Issuance of Letter of Guarantee (LG) or Credit (LC) for trade liabilities
• Credit	• Differentiation of customers' mix • Faster collection of receivables (DSO reduction) • Review of customers' credit status and limits
OPERATION RISKS	
• Safety & Environment	• Application of safety audit processes and regular inspection of all production facilities and storage terminals • Participation in international organizations for best practices sharing in the field in accordance with the highest standards of refining industry • Investments to improve levels of safety and environmental protection • Continuous measurement of emissions from the Group's manufacturing facilities
• Ensure refineries' supply with raw materials	• Planning of refineries' supply • Adjust supply chain accordingly to address issues in case of a shortage in specific types of crude oil • Location and configuration with ability to access and process a variety of crude oil grades
• Reduced operation or unplanned shut-down of a refinery	• Strict application of programs for preventive maintenance • Periodic turnarounds in accordance with the equipment specifications
• Compliance in terms of operation and product quality	• Implementation of necessary measures for full compliance with the existing specifications both on a production and supply chain level • Investments for adjustment of equipment configuration, in accordance with the national and European institutional framework
• Property and liability risk	• Insurance coverage for a number of risks, including damage of physical assets, personal injuries, business interruption, product or other liability

Overview of Internal Audit System and Risk Management

In the same context as described above, the Group's Internal Audit System and Risk Management include safeguards and monitoring mechanisms at various levels within the organization, as described below:

RISK IDENTIFICATION, ASSESSMENT, MEASUREMENT AND MANAGEMENT:
The identification and assessment of risks takes place mainly during the strategic planning and the annual preparation of the business plan. The benefits and opportunities are examined in the context of the company's activities, but also in relation to the several and different stakeholders who may be affected.

PLANNING AND MONITORING /BUDGET:
Company's performance is monitored through a detailed budget per operating sector and market. The budget shall be adjusted systematically and Management monitors the development of the Group's financial performance through regularly issued reports and budget comparisons with the actual results.

ADEQUACY OF THE INTERNAL CONTROL SYSTEM:
The Internal Control System consists of the policies, procedures and tasks which have been designed and implemented by the Management Team and the human resources of the Group for the purpose of the effective management of risks, the achievement of business objectives, the reliability of financial and administrative information and compliance with the laws and regulations.

The Independent Internal Audit Department, by means of periodic assessments, ensures that the identification procedures and risk management applied by Management are sufficient, that the Internal Control System operates effectively and that information provided to the BoD relative to the Internal Control System, is reliable and of good quality.

ROLES AND RESPONSIBILITIES OF THE BOD:
The role and responsibilities of the BoD are described in the Internal Procedures Manual of the Company, which is approved by the BoD.

PREVENTION AND SUPPRESSION OF FINANCIAL FRAUD:
The areas that are considered to be of high risk for financial fraud are monitored through appropriate internal controls and enhanced security measures. In addition to the internal controls applied by each department, all Company activities are subject to audits from the Internal Audit Department.

INTERNAL OPERATING REGULATION:
The Company has compiled relevant internal regulations approved by the BoD. Within the framework of the Regulations, powers and responsibilities are defined which promote the adequate segregation of duties within the Company.

THE GROUP'S CODE OF CONDUCT:
The Company in the context of the fundamental obligation of good corporate governance, it has drafted and adopted since 2011 the Code of Conduct, approved by the BoD of the company. The Code of Conduct summarizes the principles according to which any person, employee or third

party involved in the operation of the Group, as well as collective body, should act within the framework of their duties. For this reason, the Code constitutes a practical guide of the day-to-day tasks of all employees of the Group, but also of third parties who cooperate with it.

Safeguards in Information Technology Systems

The Group's IT Department is responsible for developing the IT strategy and for staff training to cover any arising needs and the IT department is also responsible for the support of IT systems and applications through the drafting and updating of operation manuals, in cooperation with external consultant where this is necessary.

The Company has developed a sufficient framework to monitor and control its IT systems, which is defined by a set of internal controls, policies and procedures.

Safeguards for Financial Statements and Financial Reporting

The Group applies common policies and monitoring procedures of accounting departments of the Group's subsidiaries which include, amongst others, definitions, accounting principles adopted by the Company and its subsidiaries, guidelines for the preparation of financial statements and consolidation. Furthermore, it also runs automatic checks and validations between different transactional and reporting systems. In cases of non-recurring transactions special approval is required.

Chart of Authorities

Existence of a chart of authorities, which depicts assigned authorities to various Company executives, in order to complete certain transactions or actions (e.g. payments, receipts, contracts, etc.).

CORPORATE GOVERNANCE

GENERAL

Corporate Governance refers to a set of principles on the basis of which the proper organization, operation, management and control of a company is evaluated with the aim of maximizing value and safeguarding the legitimate interests of all those related with it.

In Greece, the Corporate Governance framework has been developed mainly through the adaptation of obligatory rules, such as Law 3016/2002. This law imposes the participation of non-executive and independent non-executive members on the Boards of Directors of Greek listed companies, the establishment and operation of internal audit units and the adoption of Internal Procedures Manual. Moreover, a significant number of other legislative acts incorporated in the Greek legal framework the EU directives concerning corporate law, thus creating a new set of rules regarding corporate governance, such as Law 3693/2008, requiring the creation of audit committees and incorporating significant disclosure obligations, concerning the ownership as well as the governance of a company, Law 3884/2010, dealing with the rights of shareholders and additional corporate disclosure obligations within the framework of preparation of the General Meeting of shareholders and Law 3873/2010, incorporating in the Greek legal framework the Directive 2006/46/EC of the European Union, concerning the annual and consolidated accounts of companies of a certain legal form. Finally, in Greece, as well as in most countries, the Company Law (codified law 2190/1920, which is modified by numerous guidelines derived from many of the aforementioned EU Directives) includes the basic legal framework of company governance.

CORPORATE GOVERNANCE CODE

The Company has voluntarily decided to adopt the Corporate Governance Code for listed companies of the Hellenic Corporate Governance Council (HCGC) (or "Code"). The Code can be located on the Hellenic Corporate Governance Council (HCGC) website, at the following address:

http://www.helex.gr/esed

Apart from HCGC's website, the Code is also available to all the employees through the intranet as well as in hard copy through the Group's departments of Finance and Human Resources.

DEVIATIONS FROM THE CODE OF CORPORATE GOVERNANCE

The Company, on occasion, deviates or does not apply in its entirety certain provisions of the Code, in respect to the:

- Size and composition of the Board
- Role and attributes of the Chairman of the BoD member election
- General functioning and evaluation of the BoD
- System of Internal Controls
- Level and structure of compensation
- General Meeting of Shareholders

CORPORATE GOVERNANCE PRACTICES IN ADDITION TO THE PROVISIONS OF THE LAW

The Company, within the framework of implementing a satisfactory and well-structured system of corporate governance, has applied specific practices of good corporate governance, some of which exceed relevant legal requirements (Codified Law 2190/1920, law 3016/2002 and law 3693/2008).

Specifically, the Company has adopted the following additional corporate governance practices, all of which are related to the size, composition, responsibilities and overall operation of the BoD. Due to the nature and purpose of the Company, the complexity of matters and the necessary legal support of the Group, which includes a number of operations and subsidiaries in Greece and abroad, the BoD – numbering thirteen members, which is ten more than the minimum required by law – has established committees that comprise of its members, with advisory, supervisory and authorizing responsibilities.

These committees are the following:

1. Crude oil and Petroleum products Supply Committee
2. Finance & Financial Planning Committee
3. Labor Issues Committee
4. Remuneration and succession planning Committee

In addition to the above committees of the BoD, executive and non-executive committees have been established in the Company, mainly with an advisory role. They comprise of senior executives of the Company and their goal is to support the work of Management. The most important such committees are:

1. Group Executive Committee
2. Strategic Planning and Development Committee
3. Group Credit Committee
4. Investment Evaluation Committee
5. Human Resources Committee
6. Executive Technical Committee
7. Executive Commercial Committee

The BoD has included specific provisions in the Company's Internal Procedures Manual, banning transactions of shares for the Chairman of the BoD, the CEO and for other members of the BoD, as long as they serve as either Chairman of the BoD or CEO of a related company. The BoD has also implemented a Procedure of Monitoring and Disclosure of Significant Participations and Transactions on the Company's shares, as well as a procedure of Disclosing and Monitoring Transactions and Financial Activity with the Company's major clients and suppliers.

GENERAL MEETING OF SHAREHOLDERS AND SHAREHOLDERS' RIGHTS

The roles, responsibilities, participation, the ordinary or extraordinary quorum of participants, the Presidency, Daily Agenda and the conduct of procedures of the General Meeting of the Company's Shareholders are described in its Articles of Association, as updated based on the provisions of Codified Law 2190/1920 (following integration of Law 3884/2010 on minority voting rights).

Shareholders are required to prove their shareholder status and the number of shares they possess at the exercise of their rights as shareholders. Usual forms of proof are custodian or Central Depository certificates or electronic communication though specialised secured electronic platforms.

Composition & Operation of the Board of Directors, Supervisory Bodies and Committees of the Company

BOARD OF DIRECTORS (BOD)

The Company is managed by a BoD, comprising of 13 members, with a term of five years as follows:

Ioannis Papathanasiou, Chairman of the Board, Representative of the Greek State
Ioannis Costopoulos, CEO, Executive Board Member
Andreas Shiamishis, Deputy CEO, Non-Executive Board Member
Theodoros-Achilleas Vardas, Executive Board Member
Aggelos Chatzidimitriou, Non-Executive Board Member
Vasilios Nikoletopoulos, Non-Executive Board Member
Panagiotis Ofthalmidis, Non-Executive Board Member – Employees' representative
Theodoros Pantalakis, Non-Executive Board Member – minority shareholders representative
Spyridon Pantelias, Non-Executive Board Member – minority shareholders representative
Konstantinos Papagiannopoulos, Non-Executive Board Member – Employees' representative
Ioannis Raptis, Non-Executive Board Member
Christos Razelos, Non-Executive Board Member
Ioannis Sergopoulos, Non-Executive Board Member

ROLES AND RESPONSIBILITIES OF THE BOD

The BoD is the supreme executive body of the Company and principally formulates its strategy, its development policy and supervises and controls the management of its assets. The composition and characteristics of the members of the BoD are determined by Law and the Company's Articles of Association. First and foremost among the duties of BoD is to constantly pursue the strengthening of the Company's long-term economic value and to protect its interests.

To achieve corporate goals and uninterrupted operation of the Company, the BoD may grant some of its authorities, except the ones that demand collective action, as well as the administration or management of the affairs or representation of the Company to the Chairman of the BoD, the CEO or to one or more BoD members (executive and non-executive), to the Heads of Company Departments or to employees. BoD members and any third party that has been granted authorities from the BoD is not permitted to pursue personal interests that conflict the interests of the Company. BoD members and any third party that has been granted authorities from the BoD must disclose in a timely manner to the rest of the BoD any personal interests that might arise as a result of transactions with the Company that fall under their duties as well as any other conflict of interest with the Company or with entities affiliated to it in accordance with Codified Law 2190/1920 art. 42. (e), par. 5.

Indicatively, the BoD approves, after proposal of the CEO:

I. The Business Plan of the Company and the Group,
II. The Annual Business Plan and Budget of the Company and the Group,
III. Any necessary change to the above,
IV. The annual report of transactions between the Company and its related parties, according to Codified Law 2190/1920 art. 42. (e), par. 5,
V. The annual report of the Company and the Group,
VI. The establishment of / participation in companies or joint ventures, company acquisitions, installation or termination of facilities — in all cases of such transactions with minimum value of €1 million,

VII. The agreements of participation in consortia for the exploration and production of hydrocarbons,
VIII. The final termination of plant operations,
IX. The regulations that govern the operation of the Company and any amendments to them,
X. The basic organizational structure of the Company and any amendments to it,
XI. The appointment / dismissal of General Managers and of the Head of Group's Internal Audit Department,
XII. The Collective Labour Agreement,
XIII. The Internal Procedures Manual,
XIV. The determination of the Company's remuneration policy of the Management Team,
XV. The hiring processes for executives and the assessment of their performance,
XVI. Any other matter stipulated by the existing Company regulations.

EXECUTIVE AND NON-EXECUTIVE MEMBERS OF THE BOD

The BoD determines the responsibilities and status of its members as executive or non-executive. At any time, the number of non-executive members of the BoD cannot be less than one-third of the total number of its members.

CHAIRMAN OF THE BOD

The Chairman of the BoD presides over and administers the meetings of the BoD, and performs all acts that fall under his responsibilities according to the existing regulatory framework, Company's Articles of Association and Internal Procedures Manual.

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer (CEO) is the most senior member of the Company's executive management. The CEO presides over all functions of the Company and manages its operations. In the context of the Business Plan, the Regulations and Decisions of the BoD that govern the operation of the Company, the CEO makes all necessary decisions and submits proposals and recommendations necessary to accomplish the aim of the Company to the BoD.

At its meeting of 12.18.2014, the Board of Directors appointed Mr. Andreas Shiamishis as the Deputy Chief Executive Officer, with the assignment to replace the CEO in case of absence. At the same time, the responsibility of domestic and international marketing was delegated to the Deputy CEO and it was decided that the following officers will report to him directly: the General Director of International activities, the CEO of EKO and Hellenic Fuels, the CEO of ASPROFOS as well as the General Director of Strategic Planning and Development for the operational and financial planning functions.

AUDIT COMMITTEE (LAW 3693/2008)

The Company has established an Audit Committee, appointed by the General Meeting of shareholders and made up of three (3) non-executive members of the BoD.

The Audit Committee has the following responsibilities:

- To oversee the process of financial monitoring and the reliability of financial statements of the Company and to examine the fundamental parts of the financial statements which include vital judgments and assumptions of the Management.
- To monitor the effectiveness of the Company's Systems of Internal Controls and Risk Management.
- To ensure the proper functioning of the Company's Internal Audit Department.

- To oversee the process of the external audit of the Company's financial statements.
- To monitor issues concerning the existence and maintenance of the external auditors' independence, especially as far as the provision of additional non-audit services are concerned.

REMUNERATION AND SUCCESSION PLANNING COMMITTEE

The Company has established a Compensation and Succession Planning Committee that comprises of one executive and two (2) non-executive members of the BoD.

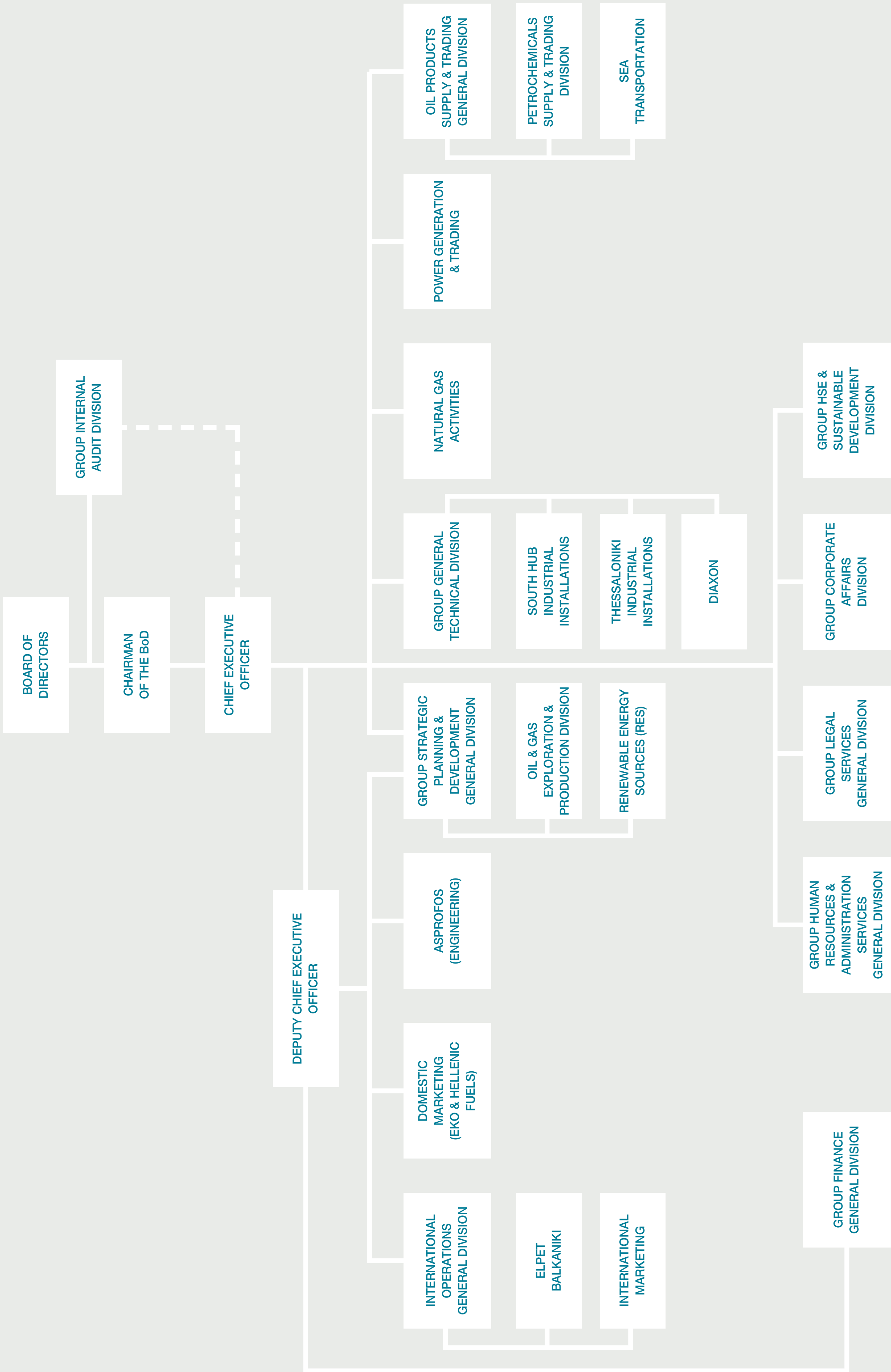
The Compensation and Succession Planning Committee has the following responsibilities:

- To propose the principles of the Company's remuneration and benefits policy for executives – relevant decisions by the CEO are based on these principles,
- To propose the remuneration and benefits policy for senior executives – relevant decisions of the CEO follow this policy,
- To propose to the CEO the overall compensation (fixed and variable – including stock options) for the executive members of the BoD and senior executives of the Company,
- To propose to the General Meeting of Shareholders, through the BoD, the total compensation of the Chairman of the BoD and the CEO,
- To plan for adequate and suitable succession of General Managers and executives, when needed, and submit relevant proposals to the BoD.

OTHER BOARD OF DIRECTORS COMMITTEES

- Oil Products Procurement Committee
- Finance and Financial Planning Committee
- Labour Issues Committee

Organizational Structure of HELLENIC PETROLEUM S.A.



Group Executive Committee

Y. Papathanasiou
Chairman of the BoD

He is an electrical engineer graduated from National Technical University of Athens.

He has a significant parliamentary activity, as he was counselor to the Minister of Industry on energy issues and was appointed Prime Minister of Development and Prime Minister and Minister of Finance and Economy. He was Secretary General and then President of the Athens Chamber of Commerce and Industry (ACCI) and served as Vice-chairman on the BoD of DEPA SA. Until 2002, he was Chairman and Managing Director of the company "I. D. Papathanasiou SA" trading of technological equipment for buildings.

He is Chairman of HELPE BoD.

J. Costopoulos
Chief Executive Officer

He holds a BSc Honours in Economics from the University of Southampton, U.K. and a MBA from the University of Chicago, U.S.A.

He assumed various international managerial appointments, working on strategic development and organizational restructuring projects, in US and UK. Returning to Greece, he assumed a number of senior management positions in METAXA SA, JOHNSON & JOHNSON HELLAS S.A. and PETROLA HELLAS S.A.

Since 2007 he is Chief Executive Officer of HELLENIC PETROLEUM S.A. He is Chairman of the Boards of EKO and HELLENIC FUELS – the Group's marketing subsidiaries, and he serves on the BoD of ELPEDISON – the Group's power generation and trading joint venture. He is also a Board member of the Hellenic Federation of Enterprises (SEV) and of "Fourlis Holdings S.A.".

A. Shiamishis
Deputy Chief Executive Officer
& Group Chief Financial Officer

He holds an Economics degree (Econometrics) from the University of Essex, England and is a member of ICAEW (Institute of Chartered Accountants in England and Wales) (F.C.A.) He began his career as an auditor and consultant and consequently as senior executive for large Groups (KPMG, DIAGEO, PILLSBURY, LEVENTIS GROUP).

He is Deputy Chief Executive Officer and Board member of HELPE. Since 2005 he holds the position of the Group CFO. He participates in the Group Executive Committee and he serves as a BoD member in many subsidiaries and DEPA S.A.

He is a member of the Greek Economic Chamber, of the Corporate Finance Faculty of ICAEW and participates in the American-Hellenic Chamber's Corporate Governance Committee.

G. Alexopoulos
General Manager Group Strategic Planning & Development

He holds an MBA from Harvard Business School as well as an M. Sc. and B.Sc. in Chemical Engineering from Massachusetts Institute of Technology (MIT).

He held various technical and managerial executive positions in companies abroad, in USA and Switzerland.

He is General Manager of the Group's Strategic Planning and Development and a member of the Group's Executive Committee, responsible for strategic planning, new business development, the Group's representation in international organizations (he is a Board member of the European Petroleum Industry Association) as well as the management of the Group's strategic projects and participations. He is also a Board member of DESFA SA.

Th. Vardas
Executive Board Member

Chemical Engineer, graduate of Swiss Federal Institute of Technology, Zurich. He holds a PhD from the Systems Engineering Department of the School of Chemical Engineering of the same Institute. He began his career in the Latsis Group of Companies, where he held various managerial positions and he was appointed Deputy CEO and Board Member of PETROLA HELLAS S.A. He is an Executive Board member of HELLENIC PETROLEUM SA and a Board member of EKO and HELLENIC FUELS, the Group's marketing subsidiaries. He also serves on the BoD of DEPA SA.

J. Apsouris
General Manager Group Legal Services

Attorney at Law, qualified to plead before the Supreme Court, holds a Law degree from the Athens University and a Master's Degree (DEA) from the University of Aix-en-Provence, France. He was a partner at "Dryllerakis & Associates Law Firm", handling cases of corporate, commercial and civil law. He is General Manager of Group Legal Services, Chairman of the Board of ELPET BALKANIKI S.A., a Group's subsidiary, he serves on the Boards of six other subsidiaries of the Group and is a member of the Supervisory Board of DESFA S.A.

A. Kokotos
General Manager Group HR & Administration Services

Chemical Engineer, graduate of Timisoara Polytechnic, in Romania.

He held various managerial positions in HR organization and management of the parent company HELLENIC PETROLEUM SA and DEPA SA. He was CSR Director at the Elefsina refinery.

He is General Manager of Group Human Resources & Administration Services and Chairman of DIAXON BoD.

C. Panas
General Manager Supply & Trading

Chemical Engineer, graduate of NTUA. He originally worked at the Thessaloniki refinery and DEP SA and later he assumed managerial positions in the fields of Corporate Planning and Supply and International Trading. He is General Manager of Supply and Trading.

E. Stranis
Group Senior Director Corporate Affairs

He is a professional Engineer in Energy Resources Management and holds a B.Sc in Electronic & Communication Engineering, Postgraduate Diploma in Power Electronics and an M.Sc in Energy Resources Management, from the British Universities Brunel and Thames respectively.

He originally worked with ULTRA THORN EMI and later, he was a press and scientific attaché in the Greek Embassy in London.

He worked in the Public Petroleum Corporation of Greece SA. (DEP), first as the Head of Crude Oil Supply Dept and then as Alt. Marketing & Supply Director. In 1998 he joined HELLENIC PETROLEUM SA and today he is Group Senior Director Corporate Affairs.

He is also a member of the Technical Chamber of Greece, the British Institute of Engineering & Technology, the South – East Europe Institute of Energy, the European Association Communication Directors as well as a member of The Conference Board Europe (Council on Corporate Communication).

P. Pagoni
Group Senior Director Health, Safety, Environment & Sustainable Development

She holds a B.Sc. in Civil Engineering from the University of Missouri and a M.Sc. in Environmental Engineering from the same University.

She has extensive experience of over 30 years, in Greece and abroad, in all environmental aspects, in European Trading System for CO_2, Sustainable Development and in safety of industrial installations.

Since 2006, she is Group Senior Director Health, Safety, Environment and Sustainable Development. She is also a member of CONCAWE Scientific Council, member of HELPE Patraikos BoD and member of the Board of Greek Chemical Industries Association.

N. Skandalis
Chief Technical Officer

Chemical Engineer, graduate of NTUA. He began his career as a Production Engineer in Group's subsidiaries and later he held various managerial positions, such as Refineries General Manager, Technical Advisor to the Management and General Manager of Major Projects.

He is Chief Technical Officer, Chairman of OKTA and Vice President of the Boards of ASPROFOS S.A. and DIAXON S.A.

I. Psychogios
Chief Executive Officer EKO & HELLENIC FUELS

Chemical Engineer, graduate of NTUA, with a Masters degree in Business Administration.

He began his career as a Production Engineer at the Aspropyrgos refinery and later, after several senior job placements, he became Refinery Manager. He was appointed CEO of OKTA refinery in Skopje and he also served as Director of Organisation and Development for the Group's refineries.

He is the CEO of the Group's marketing subsidiaries EKO and HELLENIC FUELS (formerly BP). He is also Chairman of the Greek Fuels Marketing Companies Association.

D. Routsis
General Manager South Refining Hub

Chemical Engineer, graduate of NTUA. He originally joined PETROLA HELLAS S.A., where he held various managerial positions, like Oil Logistics Director and Operations Manager. He was appointed as Director of the Elefsina and Aspropyrgos refineries. He is General Manager of Group's South Refining Hub while he also serves at the BoD of ASPROFOS.

N. Zahariadis
Senior Director Thessaloniki Industrial Installations

He holds a Diploma in Chemical Engineering from the Aristotle University of Thessaloniki and a B.Sc in Physics from the same university.

He began his career in waste water treating business and in 1986 he joined EKO as a Chemical Engineer in the Thessaloniki refinery. He worked as a process engineer, and then, from 1998 to 2005, as Section Head in Operation and later in Technical Services. He had a major role in decision making processes concerning the refinery, working as Technical Services Manager and later as Refinery Operation Manager.

Since 2014, he is Senior Director of the Thessaloniki Refinery and Petrochemical Industrial Complex.

He serves on the BOD of DIAXON S.A. — the Group's BOPP film production company — where he became CEO in 2014.

P. Karalis
General Manager International Marketing

Chemical Engineer (BSc.), graduate of N. Carolina University, U.S.A. He also holds an MSc. and MBA from the Universities of Ohio and Houston respectively, U.S.A.

He worked at several managerial positions in Group's subsidiaries like ASPROFOS and EKO. He was appointed Chief Executive Officer of the OKTA refinery, in Skopje and General Manager of the Group's Human Resources & Administration. He is General Manager of International Marketing.

Y. Grigoriou
Dep. General Manager Oil & Gas Exploration & Production

Mining Engineer, graduate of NTUA and Geophysicist (MSc Applied Geophysics, University of Leeds, UK).

He began his carrier as geophysicist at DEP S.A. and continued in Exploration, undertaking various managerial positions. He served as advisor to EU Commission in the energy sector. He was appointed member of BoD in Group's retail companies in Cyprus, Albania and Montenegro. He is Deputy General Manager Oil & Gas Exploration & Production.

FINANCIAL INFORMATION

Contents

SELECTED FINANCIAL DATA (Amounts in millions €)

GROUP	2014	2013	2012
STATEMENT OF COMPREHENSIVE INCOME			
Sales	9,478	9,674	10,469
Adjusted EBITDA	417	178	444
Operating profit	(289)	(195)	122
Profit before income tax	(485)	(338)	116
Minority Interest	(3)	(3)	(3)
Profit for the year (attributable to owners of the parent)	(365)	(269)	86
Adjusted Net Income	5	(117)	232
EPS	(1.20)	(0.88)	0.28
STATEMENT OF CASH FLOWS			
Net cash generated from operating activities	853	493	524
Net cash used in investing activities	(83)	(89)	(498)
Net cash generated from financing activities	85	(339)	(114)
Net increase/(decrease) in cash & cash equivalents	855	64	(88)
STATEMENT OF FINANCIAL POSITION			
Total Assets	7,719	7,177	7,403
Non-current assets	4.526	4,470	4,510
Cash and cash equivalents	1,848	960	901
Non-current liabilities	1,974	1,475	606
Long term borrowings	1,812	1,312	383
Short term borrowings	1,178	1,338	2,375
Minority Interest	110	116	121
Total Equity	1,729	2,214	2,496

Note: Amounts for 2012 have been adjusted where necessary to reflect the adoption of revised IAS 19.

REFINING, SUPPLY & TRADING (Amounts in millions €)	**2014**	**2013**	**2012**
Sales	8,818	9,078	10,154
Adjusted EBITDA	253	57	345
Operating profit	(371)	(238)	108
Purchase of property, plant and equipment & intangible assets	110	86	494
Depreciation & amortisation of property, plant and equipment & intangible assets	138	155	101
Refinery production (MT million)	13.7	13.0	12.6
Refinery sales volume (MT million)	13.5	12.7	12.8
Average Brent price ($/bbl)	99	109	112
Benchmark FOB MED Cracking Margin ($/bbl)	3.4	2.4	4.7
Average exchange rate (€/$)	1.33	1.33	1.29

MARKETING (Amounts in millions €)	**2014**	**2013**	**2012**
Sales	3,220	3,345	3,868
Adjusted EBITDA	90	68	53
Operating profit	27	8	(12)
Purchase of property, plant and equipment & intangible assets	25	17	21
Depreciation & amortisation of property, plant and equipment & intangible assets	52	55	59
Sales ('000 tonnes)	4,131	4,043	4,434
Petrol stations	1,977	2,095	2,214

PETROCHEMICALS (Amounts in millions €)	**2014**	**2013**	**2012**
Sales	322	327	371
Adjusted EBITDA	81	57	47
Operating profit	64	40	29
Purchase of property, plant and equipment & intangible assets	1	0	1
Depreciation & amortisation of property, plant and equipment & intangible assets	12	13	17
Production ('000 tonnes)	236.0	295.0	345.8
Sales ('000 tonnes)	322.0	327.0	347.8

STATEMENT OF FINANCIAL POSITION (Amounts in thousands €)

GROUP	31/12/2014	31/12/2013
ASSETS		
Property, plant and equipment	3,398,170	3,463,119
Intangible assets	131,978	143,841
Other non-current assets	993,911	861,900
Inventories	637,613	1,005,264
Trade and other receivables	708,227	742,513
Cash & cash equivalents	1,847,842	959,602
Available-for-sale non-current assets	1,547	1,163
TOTAL ASSETS	**7,719,288**	**7,177,402**
EQUITY AND LIABILITIES		
Share capital	666,285	666,285
Share premium	353,796	353,796
Retained earnings and other reserves	598,061	1,078,874
Capital and reserves attributable to Company Shareholders (a)	**1,618,142**	**2,098,955**
Non-controlling interests (b)	110,404	115,511
Total Equity (c) = (a) + (b)	**1,728,546**	**2,214,466**
Long-term borrowings	1,811,995	1,311,804
Provisions and other long term liabilities	161,766	163,602
Short-term borrowings	1,177,645	1,338,384
Other short-term liabilities	2,839,336	2,149,146
Total liabilities (d)	**5,990,742**	**4,962,936**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**7,719,288**	**7,177,402**

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD (Amounts in thousands €)

GROUP	1/1/2014 – 31/12/2014	1/1/2013 – 31/12/2013
Turnover	9,478,444	9,674,324
Gross profit	144,836	305,152
Earnings Before Interest & Tax	(288,912)	(195,312)
(Loss) / Profit before Tax	(484,895)	(338,126)
Less : Taxes	116,305	65,661
(Loss) / Profit for the year	**(368,590)**	**(272,465)**
Attributable to:		
Owners of the parent	(365,292)	(269,229)
Non-controlling interests	(3,298)	(3,236)
	(368,590)	**(272,465)**
Other comprehensive (loss)/income for the year, net of tax	(51,549)	39,032
Total comprehensive (loss) / income for the year	**(420,139)**	**(233,433)**
Attributable to:		
Owners of the parent	(416,881)	(230,199)
Non-controlling interests	(3,258)	(3,234)
	(420,139)	**(233,433)**
Basic and diluted earnings per share (in Euro per share)	**(1.20)**	**(0.88)**
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**(87,078)**	**26,633**

STATEMENT OF CHANGES IN EQUITY (Amounts in thousands €)

GROUP	31/12/2014	31/12/2013
Total equity at beginning of the year (1/1/2014 & 1/1/2013)	**2,214,466**	**2,496,231**
Total comprehensive (loss) / income for the year	(420,139)	(233,433)
Dividends to shareholders of the parent	—	(45,845)
Dividends to minority shareholders	(1,827)	(2,739)
Distribution of tax free reserves	(64,205)	—
Other transactions directly recorded in equity	251	252
Total equity at the end of the year	**1,728,546**	**2,214,466**

STATEMENT OF CASH FLOW (Amounts in thousands €)

GROUP	1/1/2014– 31/12/2014	1/1/2013– 31/12/2013
Cash flows from operating activities		
(Loss) / Profit before Tax	(484,895)	(338,126)
Adjustments for:		
Depreciation and amortisation of tangible and intangible assets	204,930	224,073
Amortisation of government grants	(3,096)	(2,128)
Interest expense	223,871	217,337
Interest income	(8,841)	(8,050)
Share of operating profit of associates and dividend income	(28,245)	(57,391)
Provisions for expenses and valuation charges	37,712	31,903
Foreign exchange (gains) / losses	9,198	(9,082)
Loss / (Gain) on sale of share of subsidiary	—	—
Gain on sale of fixed assets	(3,936)	(1,002)
	(53,302)	**57,534**
Changes in working capital		
(Increase) / decrease in inventories	369,439	194,666
(Increase) / decrease in trade and other receivablesv	17,416	38,267
Increase / (decrease) in payables	541,979	210,939
Less:		
Income tax paid	(22,750)	(8,808)
Net cash generated from / (used in) operating activities (a)	**852,782**	**492,598**
Cash flows from investing activities		
Purchase of tangible & intangible assets	(135,880)	(105,149)
Acquisition of subsidiary, net of cash acquired	—	(6,631)
Cash from sale of plant and equipment & tangible assets	4,981	4,097
Proceeds from the sale of subsidiary, net of cash owned	—	—
Interest received	8,841	8,050
Dividends received	39,221	12,802
Payments from share capital decrease to non-controlling interests	—	—
Participation in share capital (increase) / decrease of subsidiaries and associates	(76)	(2.504)
Net cash used in investing activities (b)	**(82,913)**	**(89,335)**

Cash flows from financing activities		
Interest paid	(196,886)	(184,305)
Dividends paid	(2,190)	(46,445)
Loans to affiliated companies	—	—
Proceeds from borrowings	1,111,611	1,276,000
Repayments of borrowings	(827,781)	(1,384,182)
Net cash generated from / (used in) financing activities (c)	**84,754**	**(338,932)**
Net (decrease) / increase in cash & cash equivalents (a)+(b)+(c)	**854,623**	**64,331**
Cash & cash equivalents at the beginning of the year	**959,602**	**901,061**
Exchange gains / (losses) on cash & cash equivalents	33,617	(5,790)
Cash & cash equivalents at end of the year	**1,847,842**	**959,602**

SEGMENT INFORMATION (Amounts in thousands €)

Year ended 31 December	2014	2013
Sales		
Refining	8,818,333	9,077,705
Marketing	3,220,210	3,344,999
Exploration & Production	186	848
Petro-chemicals	322,205	326,823
Gas & Power	1,634	905
Other	12,792	16,600
Inter-Segment	(2,896,916)	(3,093,556)
Total	**9.478.444**	**9.674.324**
Operating profit / (loss)		
Refining	(371,333)	(237,986)
Marketing	27,284	1,502
Exploration & Production	(5,792)	(5,058)
Petro-chemicals	63,673	39,144
Gas & Power	685	513
Other	(3,429)	6,573
Inter-Segment	—	—
Total	**(288.912)**	**(195.312)**
Currency exchange gains/ (losses)	(9,198)	9,082
Share of profit of investments in associates and joint ventures	28,245	57,391
Finance (expense)/income – net	(215,030)	(209,287)
Profit / (loss) before income tax	**(484,895)**	**(338,126)**
Income tax (expense) / credit	116,305	65,661
(Income) / loss applicable to non-controlling interests	3,298	3,236
Profit / (loss) for the year attributable to the owners of the parent	**(365,292)**	**(269,229)**

As at 31 December	2014	2013
Total Asset		
Refining	6,203,265	5,504,222
Marketing	1,237,633	1,311,492
Exploration & Production	8,268	7,361
Petro-chemicals	250,926	259,605
Gas & Power	686,885	694,544
Other	1,243,036	1,040,692
Inter-Segment	(1,910,727)	(1,640,514)
Total	**7,719,288**	**7,177,402**
Total Liabilities		
Refining	4,866,416	3,796,350
Marketing	737,379	778,728
Exploration & Production	11,351	6,158
Petro-chemicals	58,199	110,344
Gas & Power	3,510	9,350
Other	1,279,511	648,061
Inter-Segment	(965,624)	(386,055)
Totalo	**5,990,742**	**4,962,936**

STATEMENT OF FINANCIAL POSITION (Amounts in thousands €)

PARENT COMPANY	31/12/14	31/12/13
ASSETS		
Property, plant and equipment	2,767,874	2,804,714
Intangible assets	11,477	10,776
Other non-current assets	977,379	821,866
Inventories	543,783	882,040
Trade and other receivables	899,057	870,823
Cash & cash equivalents	1,593,262	739,311
Available-for-sale non-current assets	50	45
TOTAL ASSETS	**6,792,882**	**6,129,575**
EQUITY AND LIABILITIES		
Share capital	666,285	666,285
Share premium	353,796	353,796
Retained earnings and other reserves	156,606	586,288
Capital and reserves attributable to Company Shareholders (a)	**1,176,687**	**1,606,369**
Non-controlling interests (b)		
Total Equity (c) = (a) + (b)	**1,176,687**	**1,606,369**
Long-term borrowings	1,760,493	1,226,430
Provisions and other long term liabilities	89,113	89,422
Short-term borrowings	1,010,114	1,145,820
Other short-term liabilities	2,756,475	2,061,534
Total liabilities (d)	**5,616,195**	**4,523,206**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**6,792,882**	**6,129,575**

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD (Amounts in thousands €)

PARENT COMPANY	1/1/2014–31/12/14	1/1/2013–31/12/13
Turnover	8,750,184	8,946,258
Gross profit	(123,307)	55,821
Earnings Before Interest & Tax	(248,004)	(196,720)
(Loss) / Profit before Tax	(426,795)	(359,541)
Less : Taxes	113,245	65,911
(Loss) / Profit for the yearς	**(313,550)**	**(293,630)**
Attributable to:		
Owners of the parent		
Non-controlling interests		
Other comprehensive (loss)/income for the year, net of tax	(52,298)	38,520
Total comprehensive (loss) / income for the year	**(365,848)**	**(255,110)**
Attributable to:		
Owners of the parent		
Non-controlling interests		
Basic and diluted earnings per share (in Euro per share)	**(1.03)**	**(0.96)**
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**(110,391)**	**(42,466)**

STATEMENT OF CHANGES IN EQUITY (Amounts in thousands €)

PARENT COMPANY	31/12/14	31/12/13
Total equity at beginning of the year (1/1/2014 & 1/1/2013)	**1.606.369**	**1.907.073**
Total comprehensive (loss) / income for the year	(365,848)	(255,110)
Dividends to shareholders of the parent	—	(45,845)
Dividends to minority shareholders	—	—
Distribution of tax free reserves	(64,085	—
Other transactions directly recorded in equity	251	251
Total equity at the end of the year	**1,176,687**	**1,606,369**

STATEMENT OF CASH FLOW (Amounts in thousands €)

PARENT COMPANY	1/1/2014–31/12/14	1/1/2013–31/12/13
Cash flows from operating activities		
(Loss) / Profit before Tax	(426,795)	(359,541)
Adjustments for:		
Depreciation and amortisation of tangible and intangible assets	139,890	155,614
Amortisation of government grants	(2,277)	(1,360)
Interest expense	193,840	180,808
Interest income	(20,589)	(16,116)
Share of operating profit of associates and dividend income	(68,974)	(17,122)
Provisions for expenses and valuation charges	12,303	27,296
Foreign exchange (gains) / losses	5,540	(1,871)
Gain on sale of fixed assets	(19)	1
	(167,081)	**(32,291)**
Changes in working capital		
(Increase) / decrease in inventories	337,893	143,329
(Increase) / decrease in trade and other receivables	(15,852)	(226,861)
Increase / (decrease) in payables	536,310	199,626
Less:		
Income tax paid	(13,440)	—
Net cash generated from / (used in) operating activities (a)	**677,830**	**83,803**
Cash flows from investing activities		
Purchase of tangible & intangible assets	(107,783)	(85,101)
Cash from sale of plant and equipment & tangible assets	—	2
Interest received	20,589	16,116
Dividends received	48,171	13,748
Participation in share capital (increase) / decrease of subsidiaries and associates	(13)	(3,504)
Net cash used in investing activities (b)	**(39,036)**	**(58,739)**
Cash flows from financing activities		
Interest paid	(168,930)	(151,517)
Dividends paid	(363)	(43,706)
Loans to affiliated companies	—	(137,900)
Proceeds from borrowings	1,045,119	1,154,700
Repayments of borrowings	(694,169)	(729,854)
Net cash generated from / (used in) financing activities (c)	**181,657**	**91,723**

Net (decrease) / increase in cash & cash equivalents (a)+(b)+(c)	**820,451**	**116,787**
Cash & cash equivalents at the beginning of the year	**739,311**	**627,738**
Exchange gains / (losses) on cash & cash equivalents	33,500	(5,214)
Cash & cash equivalents at end of the year	**1,593,262**	**739,311**

Contact Information

SHAREHOLDERS’ CONTACT

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ANNUAL REPORT FEEDBACK

The present report of HELLENIC PETROLEUM is addressed to all our social partners, who wish to be informed regarding the Group’s strategy, policy and business performance in 2014.

Any suggestion, concerning further improvement of the present report, as a tool for a two-way communication between the Group and its social partners, is welcome.

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