



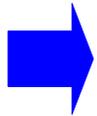
**HELLENIC  
PETROLEUM**

## **1Q 2011 Results Presentation**

Athens, 20 May 2011



# AGENDA



- **Executive Summary: Results Highlights**

- Business Units Performance
- Financial Results
- Q&A

# RESULTS HIGHLIGHTS & STRATEGY UPDATE

## BUSINESS ENVIRONMENT

- Regional political developments drive crude oil prices close to 120\$/bbl
- Weak refining margins with Med complex cracking margins at 4.1\$/bbl (vs 4.8\$/bbl in 1Q10); simple margins deteriorated even further
- Adverse local market conditions:
  - Greek domestic market demand estimated to be down by 10-15%
  - Liquidity squeeze and higher cost of funds further affect economic activity
- Weakening USD with impact on margin and balance sheet translation

## FINANCIAL RESULTS

- Margin and volume impact led to adjusted EBITDA at €72m, (-42%):
  - Tight cost controls, Egypt farm-out and ongoing transformation benefits
  - Improved performance by Petchems driven by increased PP margins
- DEPA contribution (EUR24m) and USD loans marked to market led to higher EBT and EPS
- Cashflow driven mainly by working capital increase; Debt gearing at 48%

## STRATEGY UPDATE

- Completion of Thessaloniki upgrade and tie-ins
- Elefsina upgrade at 84% as at 31 March
- Continuation of transformation efforts

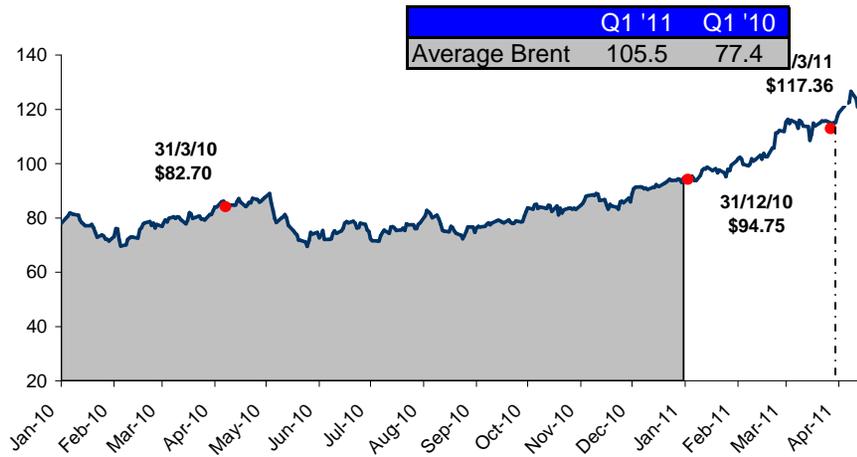
## GROUP KEY FINANCIALS – 1Q 2011

FY 10	€ million, IFRS	1Q 10	1Q 11	Δ%
<b>Income Statement Figures</b>				
<b>14,557</b>	Sales Volume (MT) - Refining	3,972	<b>3,374</b>	-15%
<b>5,735</b>	Sales Volume (MT) - Marketing	1,500	<b>1,321</b>	-12%
<b>8,477</b>	Net Sales	2,134	<b>2,419</b>	13%
<b>501</b>	EBITDA	150	<b>165</b>	10%
<b>180</b>	Net Income	43	<b>119</b>	-
<b>0.59</b>	EPS (€)	0.14	<b>0.39</b>	-
<b>474</b>	<b>Adjusted EBITDA *</b>	124	<b>72</b>	-42%
<b>317</b>	<b>Adjusted EBIT *</b>	86	<b>34</b>	-60%
<b>249</b>	<b>Adjusted EBT *</b>	62	<b>69</b>	12%
<b>205</b>	<b>Adjusted Net Income *</b>	43	<b>45</b>	3%
<b>0.67</b>	<b>Adjusted EPS (€) *</b>	0.14	<b>0.15</b>	3%
<b>Balance Sheet / Cash Flow Items</b>				
<b>4,191</b>	Capital Employed	4,501	<b>4,768</b>	6%
<b>1,659</b>	Net Debt	1,946	<b>2,203</b>	13%
<b>709</b>	Capital Expenditure	97	<b>91</b>	-7%

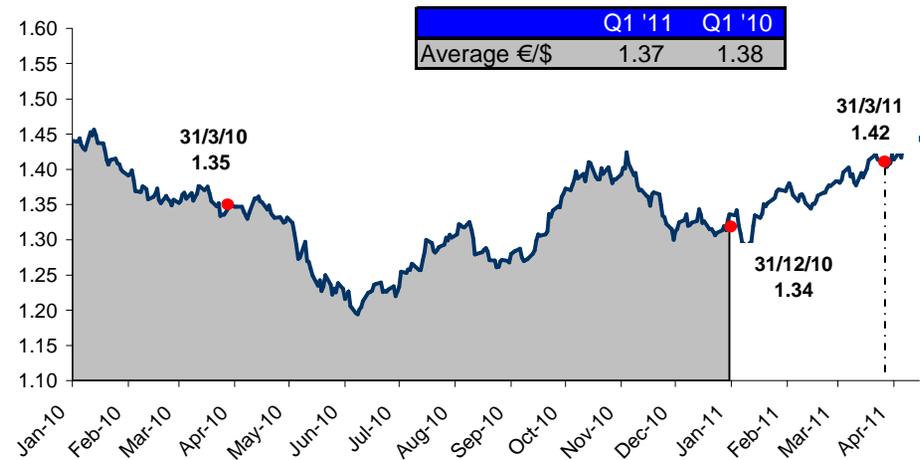
(\*) Calculated as Reported less the Inventory effects and other non-operating items; Associate contribution included at EBT level

# INDUSTRY ENVIRONMENT

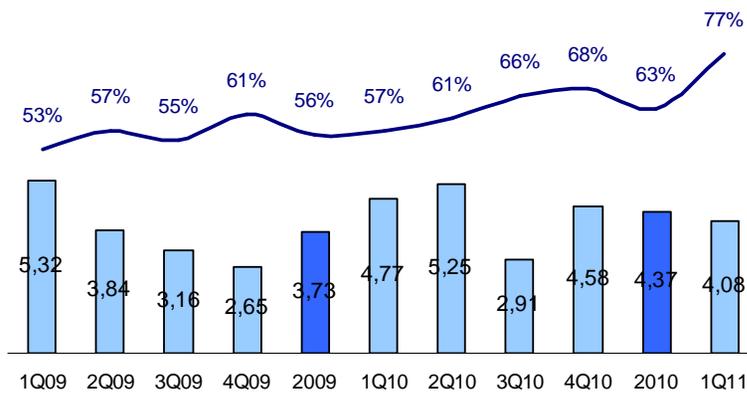
## ICE Brent (\$/bbl)



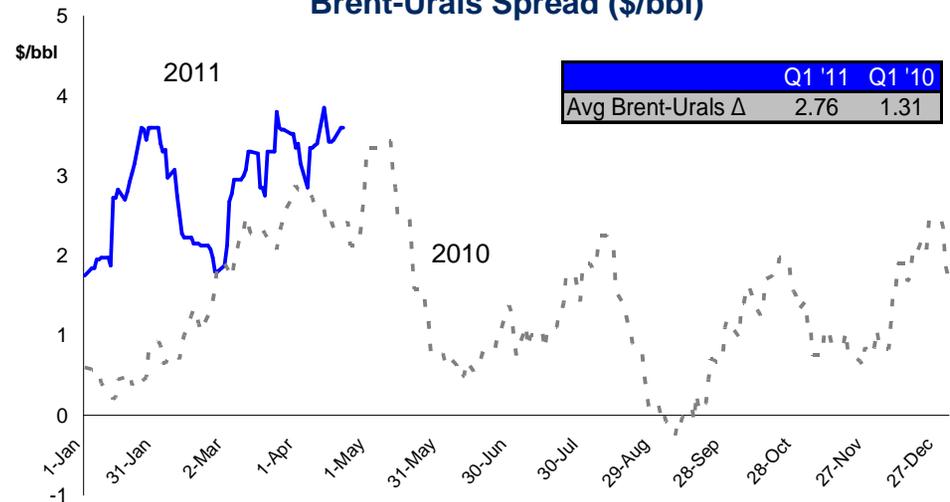
## €/€ exchange rate



## Med Cracking benchmark margins (\$/bbl) and % of HEP Volume from Cracking

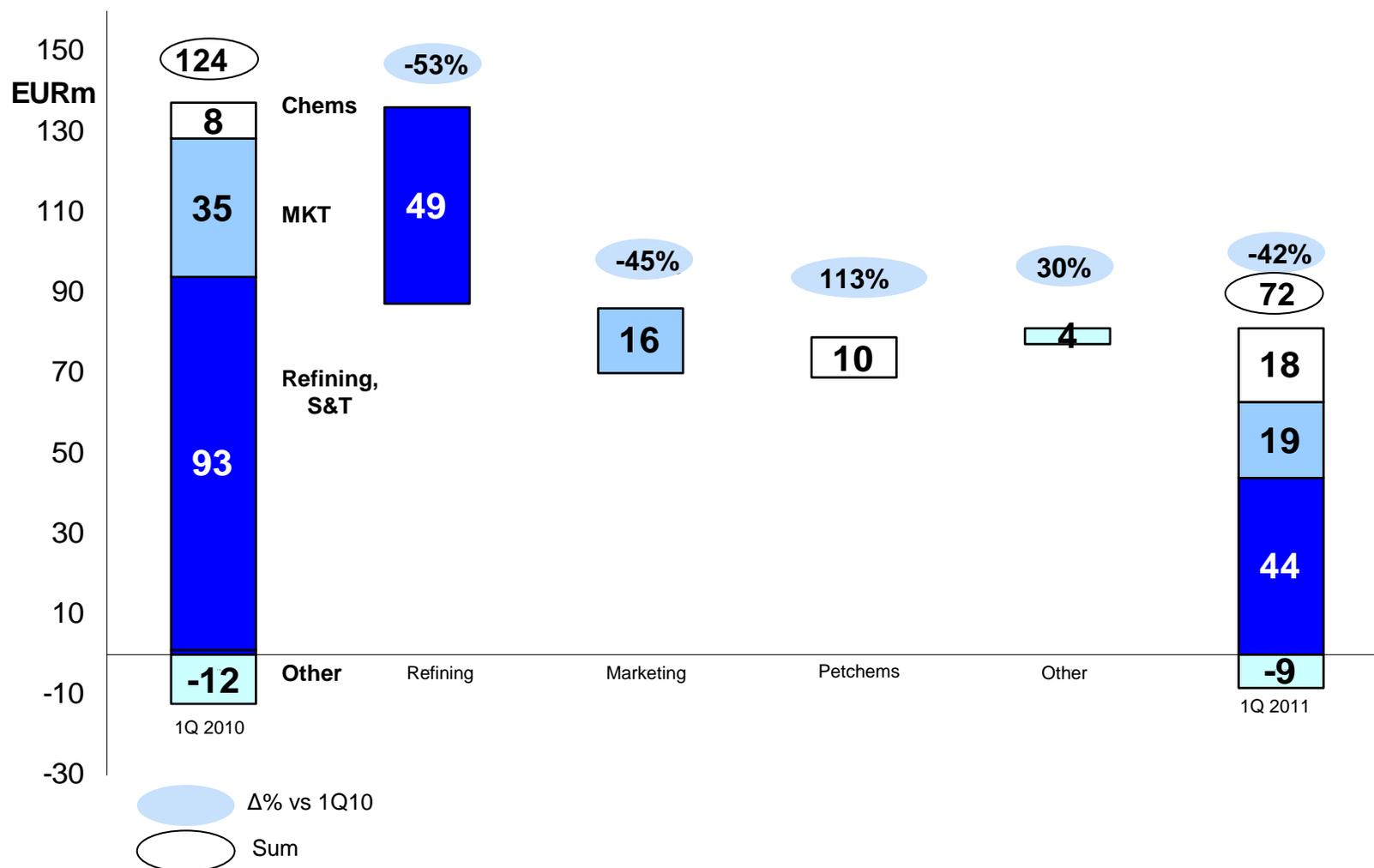


## Brent-Urals Spread (\$/bbl)



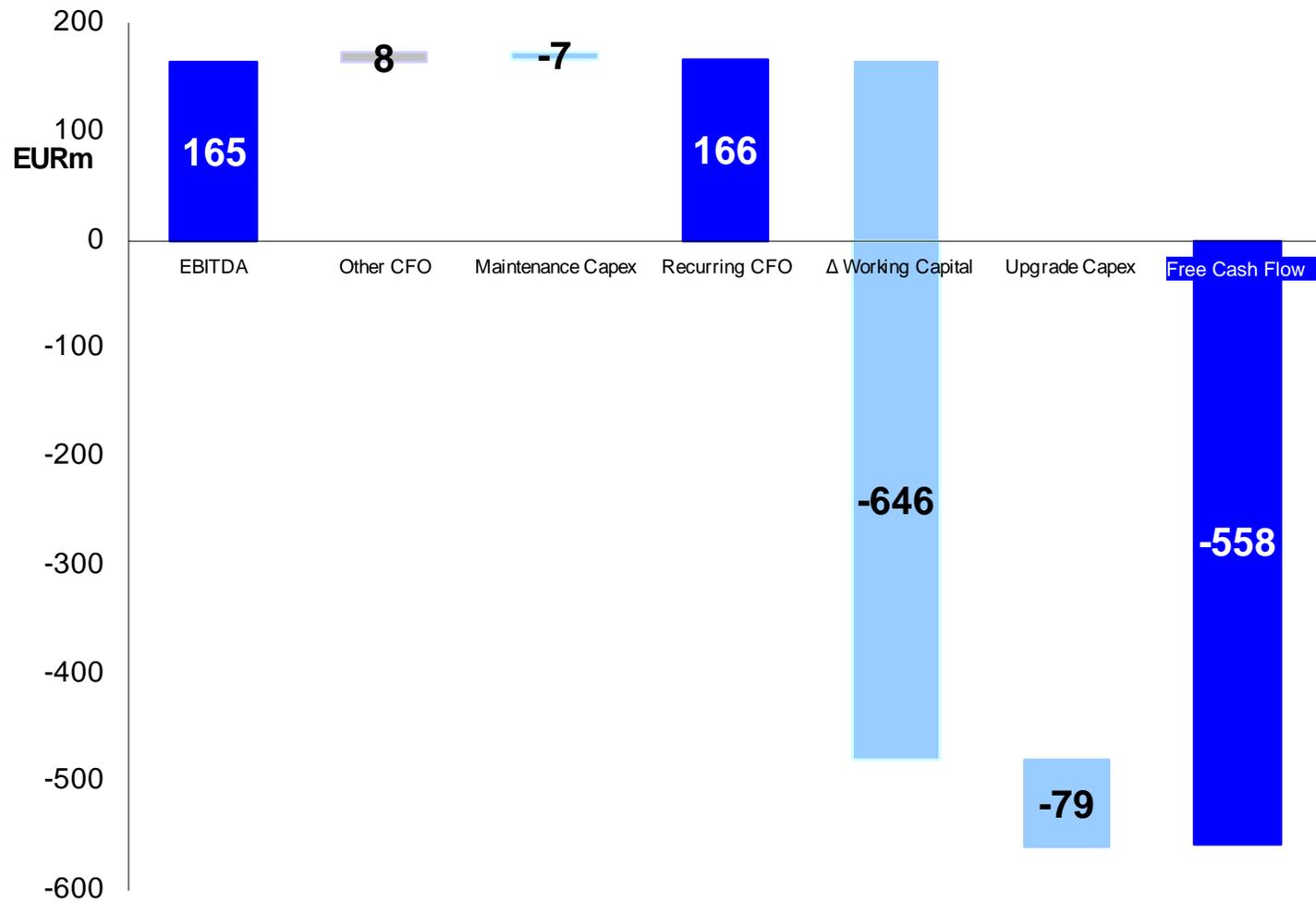
# SEGMENTAL RESULTS OVERVIEW 1Q 2011

## ADJUSTED EBITDA EVOLUTION 1Q10 – 1Q11



# GROUP CASH FLOW

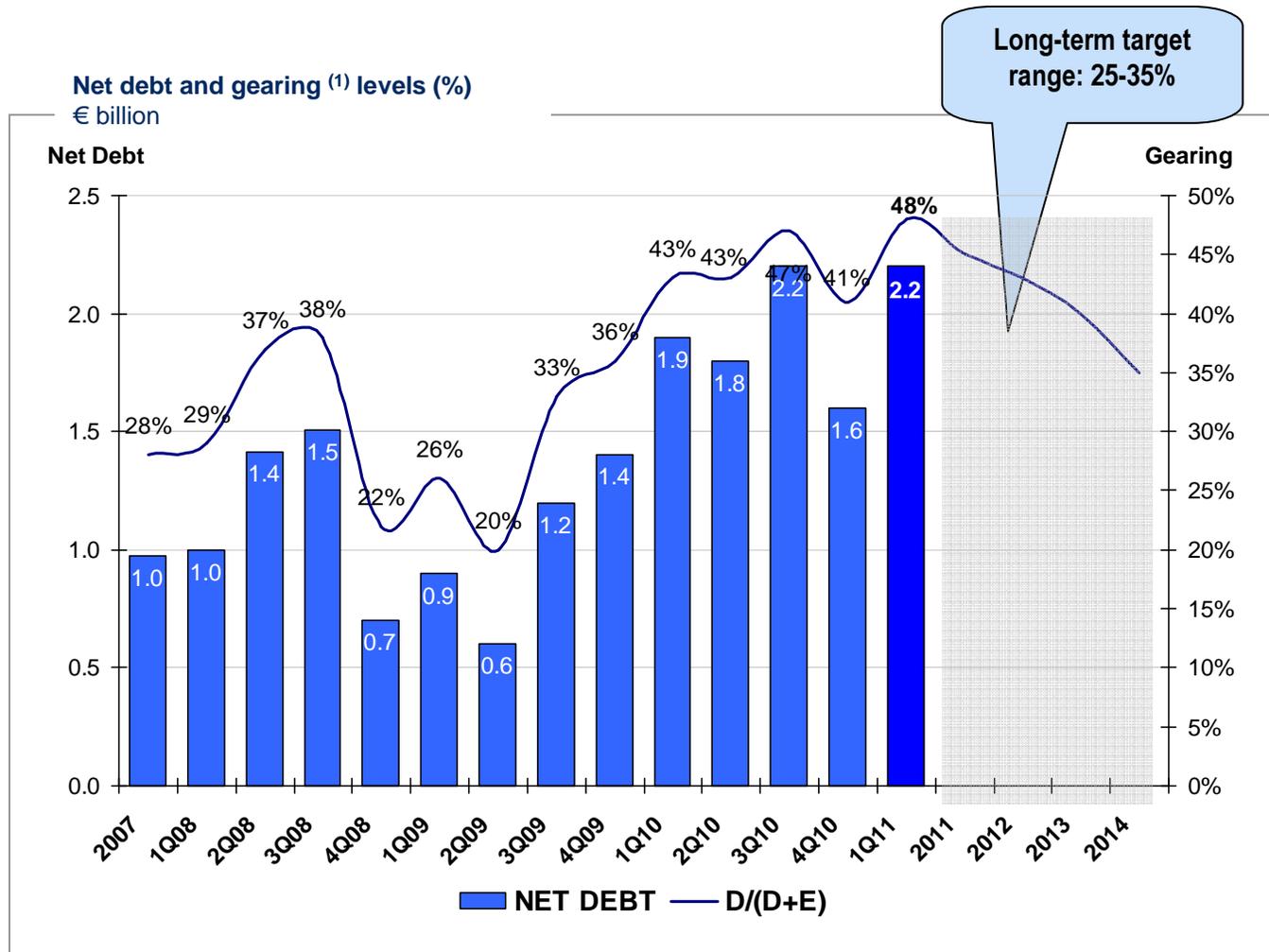
Price led working capital and upgrade capex drive cash flow; underlying performance to be enhanced post investment cycle completion



CFO: Cash Flow from Operations

# GEARING

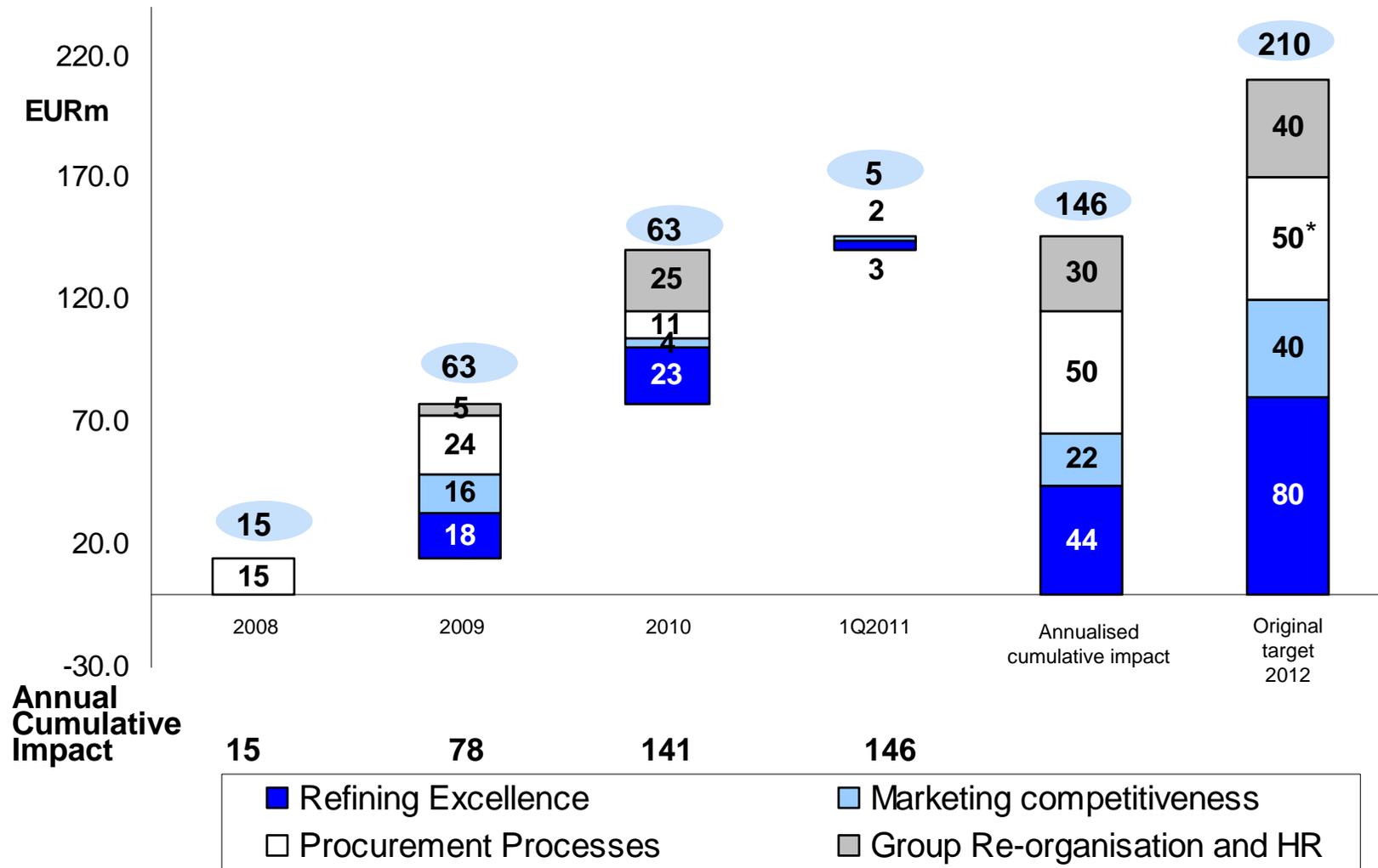
Net Debt and Gearing is driven by working capital increase, due to prices; Excluding the impact of upgrade investments in progress and related funding amounting to €1.15bn, gearing drops to 30%



(1) Debt / (Debt + Equity)

# TRANSFORMATION INITIATIVES

Total value of initiatives since launch at €239m



(\*) Target increased in 2011 by an additional EUR30m

# REFINERY UPGRADES DEVELOPMENT

Elefsina refinery upgrade



## Elefsina upgrade progress at c.84%

- Erection of major units and construction works progressing well
- Estimated completion in 4Q11
- Starting and training of start-up team in progress

## Thessaloniki upgrade completed

- New unit tied in during recent planned maintenance shutdown and ready for start-up

Thessaloniki refinery upgrade



# AGENDA



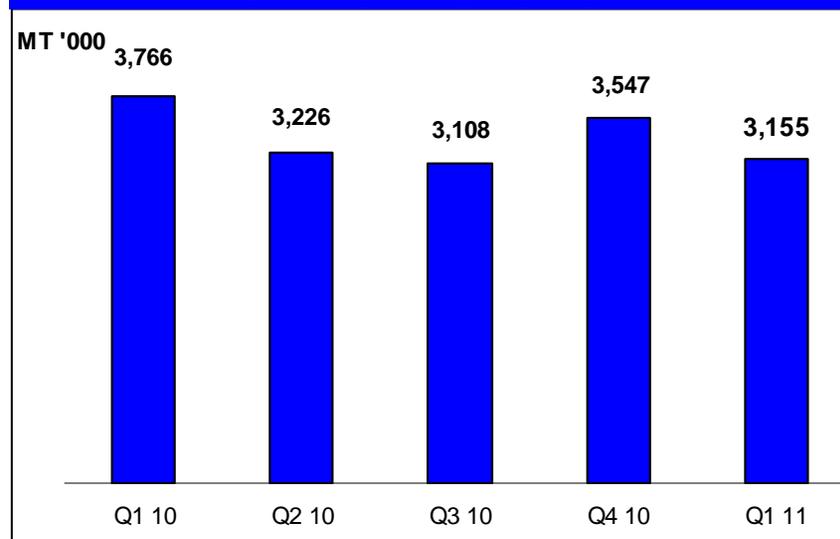
- Executive Summary: Results Highlights
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## DOMESTIC REFINING, SUPPLY & TRADING

### KEY FINANCIALS

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
<b>REPORTED RESULTS - GREECE</b>				
13,647	Volume (MT '000)	3,766	3,155	-16%
7,336	Sales	1,860	2,145	15%
360	EBITDA	114	132	16%
292	EBIT	98	117	19%
<b>ADJUSTED RESULTS<sup>(1)</sup></b>				
326	Adjusted EBITDA	89	41	-54%

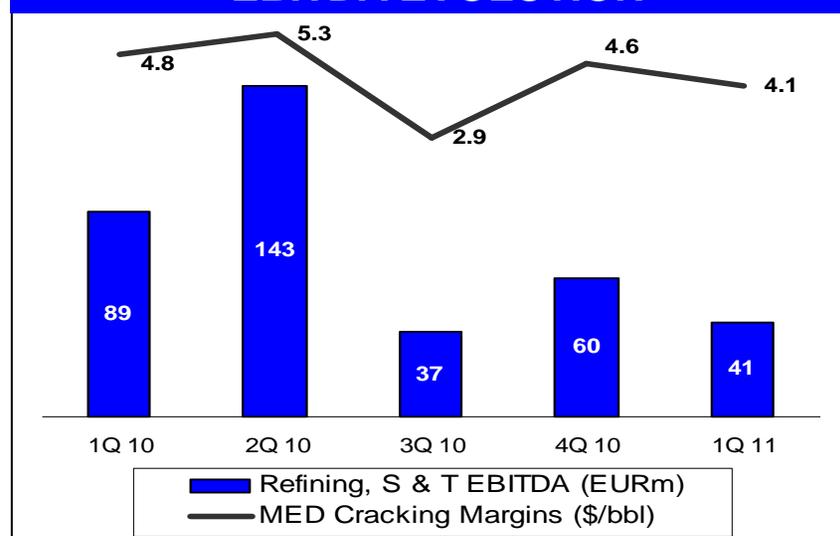
### SALES EVOLUTION



### RESULTS OVERVIEW

- Weak margin environment, especially for simple refineries as well as Thessaloniki shut down for maintenance and new unit tie-in affected production and sales
- Autofuels and HGO sales affected by domestic market environment
- Reduced refinery runs led to lower exports of FO and Naphtha
- Increased bunker sales partly offset domestic volume decrease

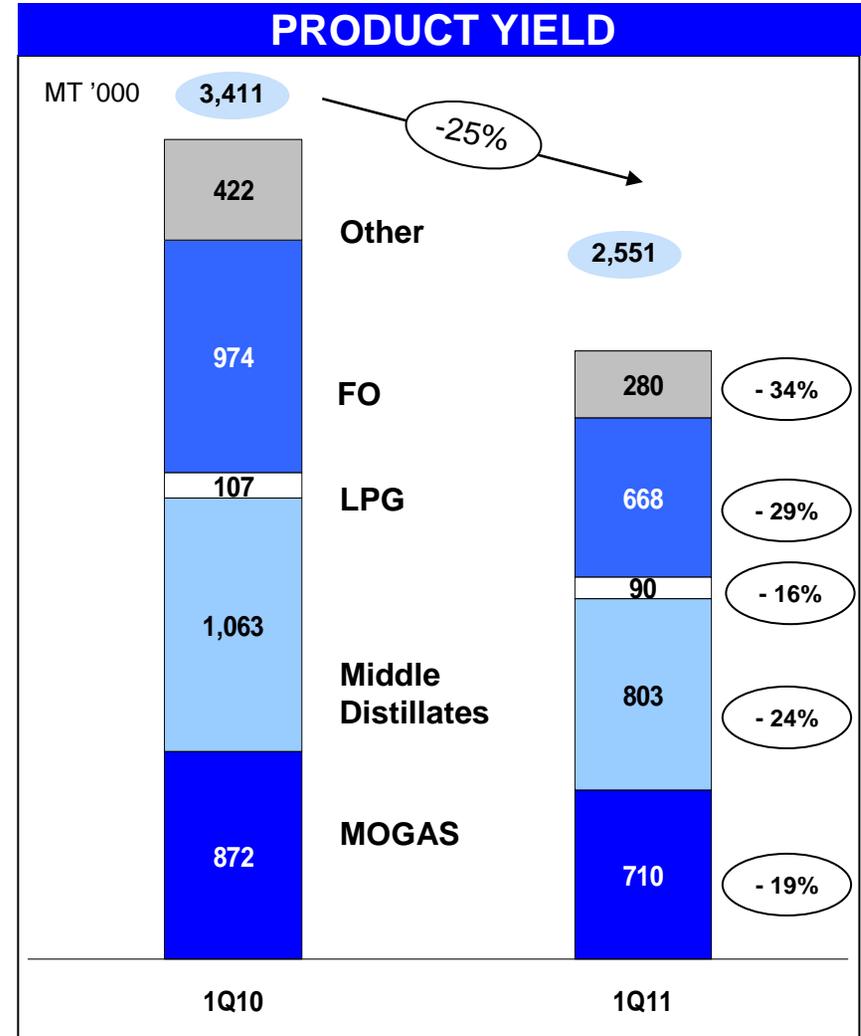
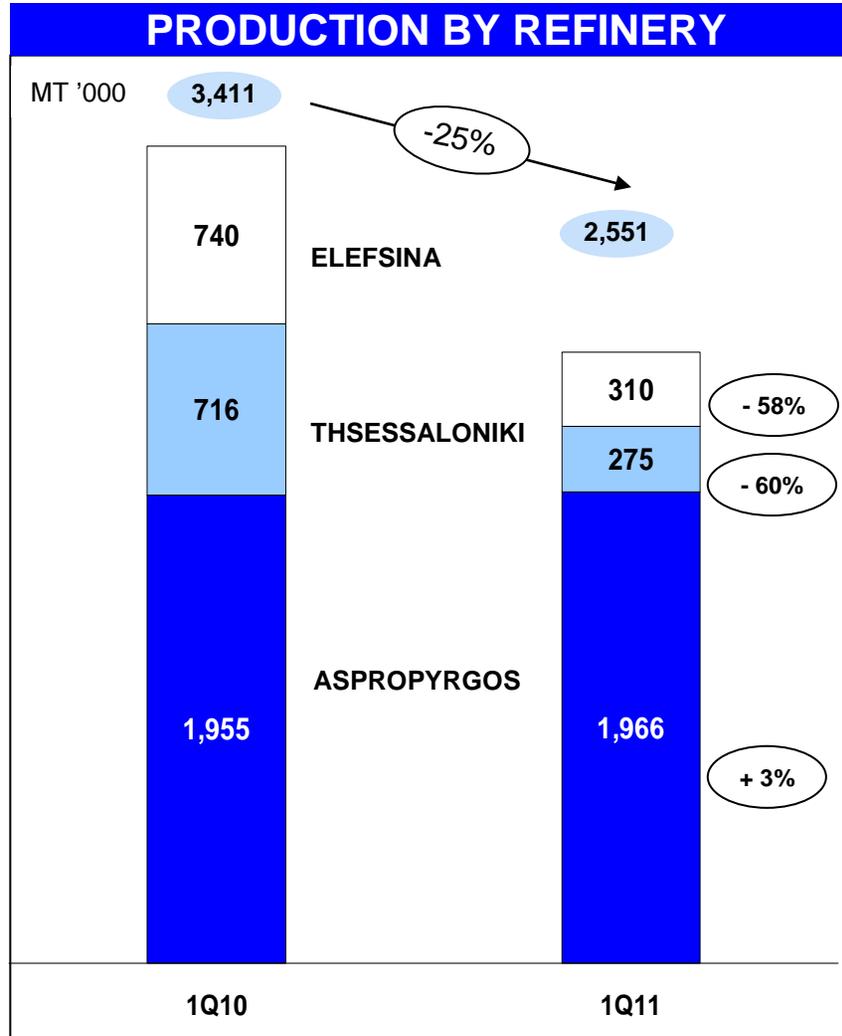
### EBITDA EVOLUTION



(1) Calculated as Reported less the Inventory effects and other non-operating items

# DOMESTIC REFINING, SUPPLY & TRADING - VOLUMES

Domestic market light fuel sales impacted by weakening demand; exports and domestic fuel oil sales lower due to reduced refinery runs (FO & Naphtha)

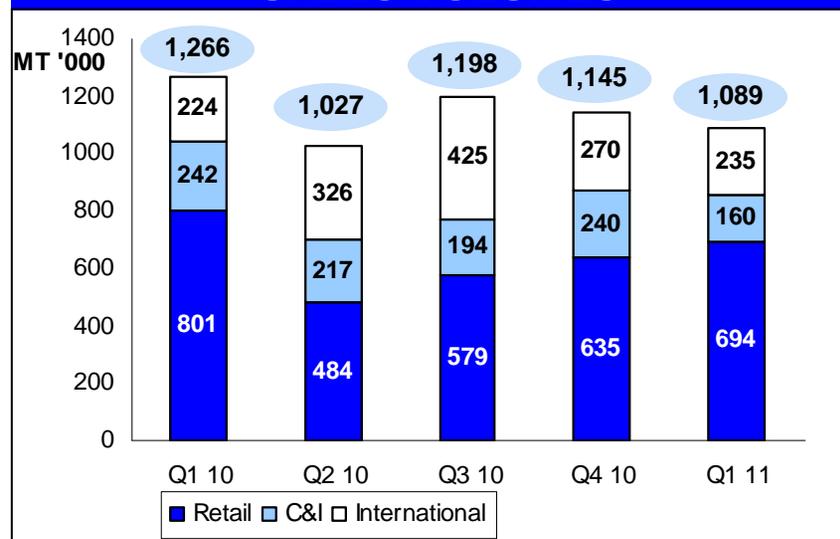


# DOMESTIC MARKETING

## KEY FINANCIALS

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
<b>KEY FINANCIALS - GREECE</b>				
4,637	Volume (MT '000)	1,266	1,089	-14%
2,662	Net Sales <sup>(*)</sup>	718	802	12%
59	EBITDA	27	12	-56%
11	EBIT	15	1	-96%
17	CAPEX	2	2	-
<b>KEY INDICATORS</b>				
2,186	Petrol Stations	2,316	2,155	-7%

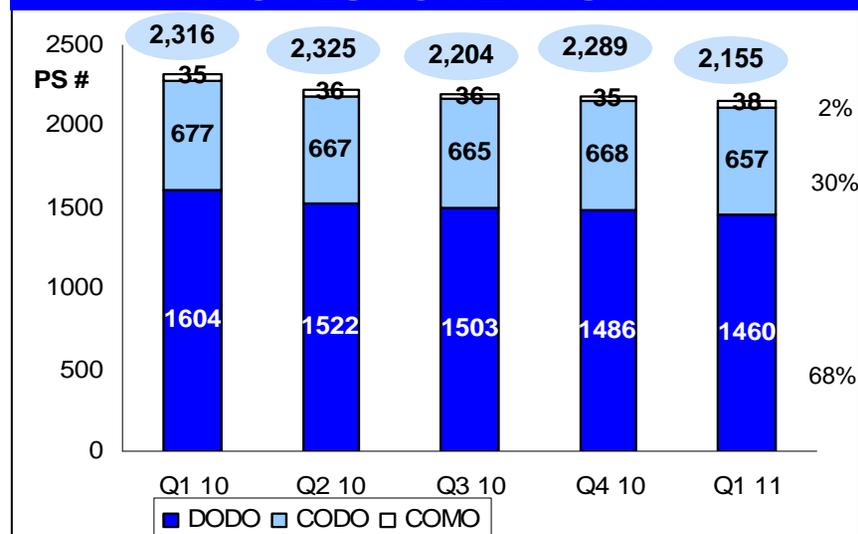
## SALES VOLUMES



## RESULTS OVERVIEW

- Challenging domestic market conditions, due to adverse economic environment and increased excise duties:
  - Market share focus puts pressure on margins
- Realisation of synergies continued as planned with shared operations and services yielding substantial opex and capex benefits
- Route to market and network development strategy take into account combined EKO and HF footprint

## DOMESTIC NETWORK



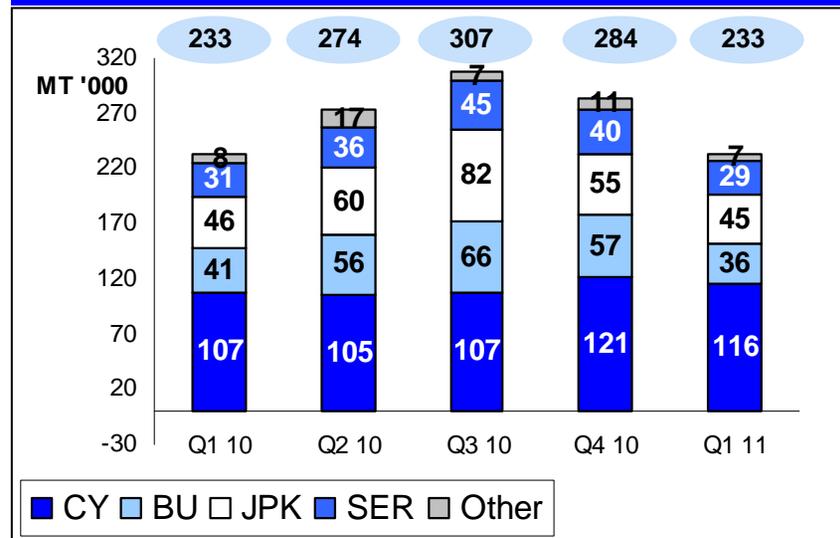
(\*) Net of VAT and excise duties

# INTERNATIONAL MARKETING

## KEY FINANCIALS

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
<b>KEY FINANCIALS - INTERNATIONAL</b>				
1,098	Volume (MT '000)	233	233	0%
846	Net Sales <sup>(*)</sup>	184	208	13%
47	EBITDA	8	7	-6%
31	EBIT	4	3	-17%
11	CAPEX	3	1	-52%
<b>KEY INDICATORS</b>				
282	Petrol Stations	281	282	0%

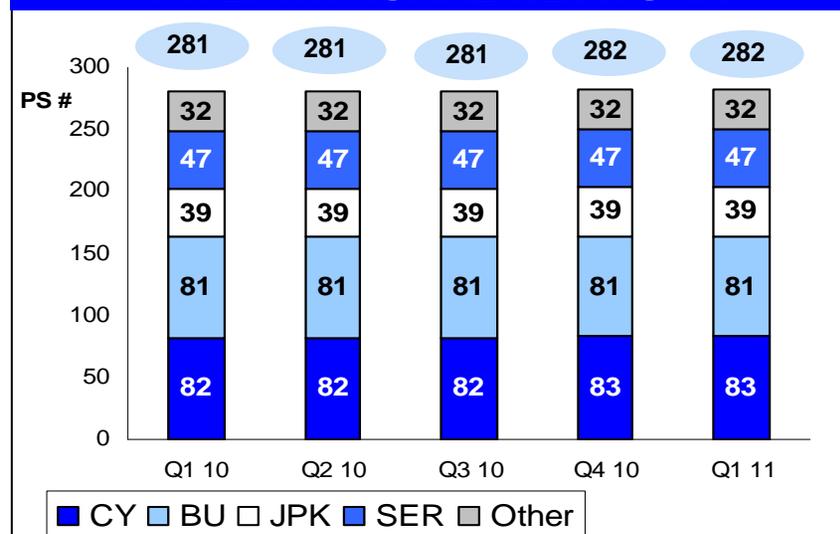
## INTERNATIONAL SALES VOLUMES



## RESULTS OVERVIEW

- Increasing prices and weaker purchasing power in most SE European market put pressure on margins, however:
  - Bulgaria increased retail market share and maintained profitability; lower wholesale volumes
  - JPK sustained margins and market share
  - Excise duty differentiation between locally produced and imported products squeezed margins in Serbia
  - Cyprus increased volumes and market share

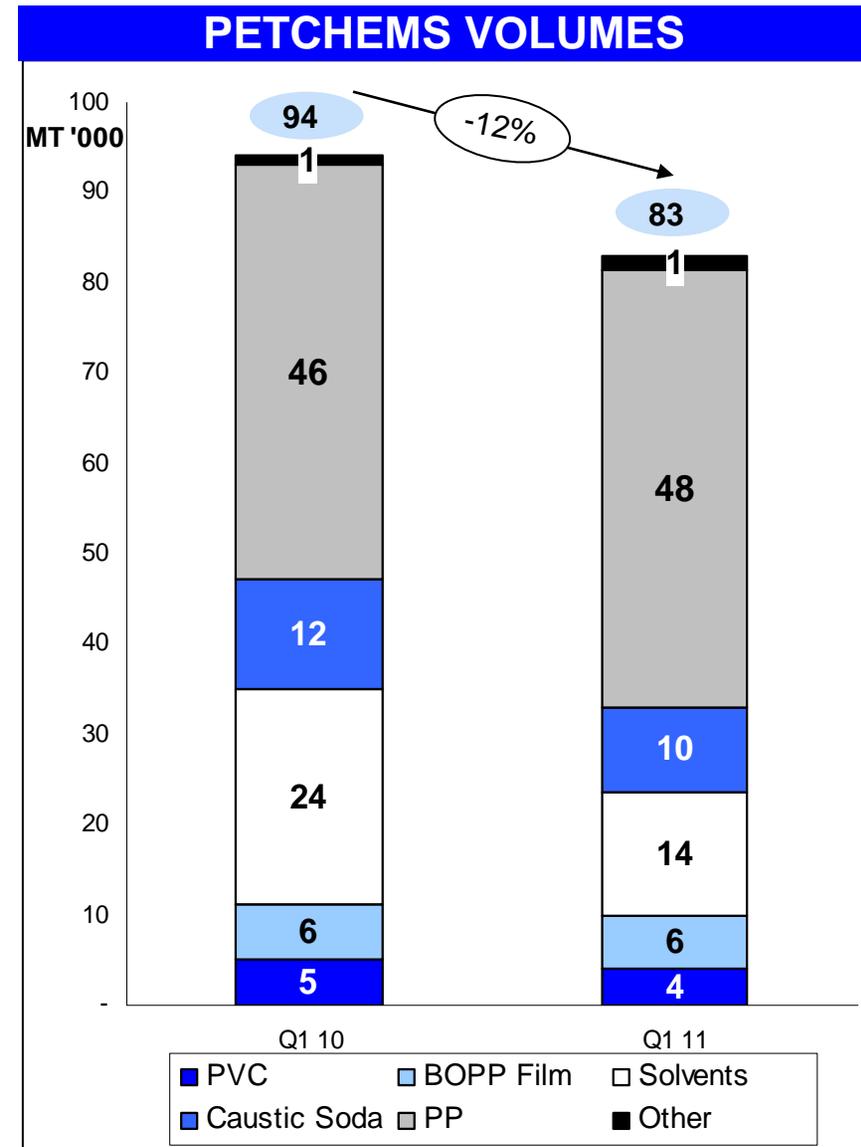
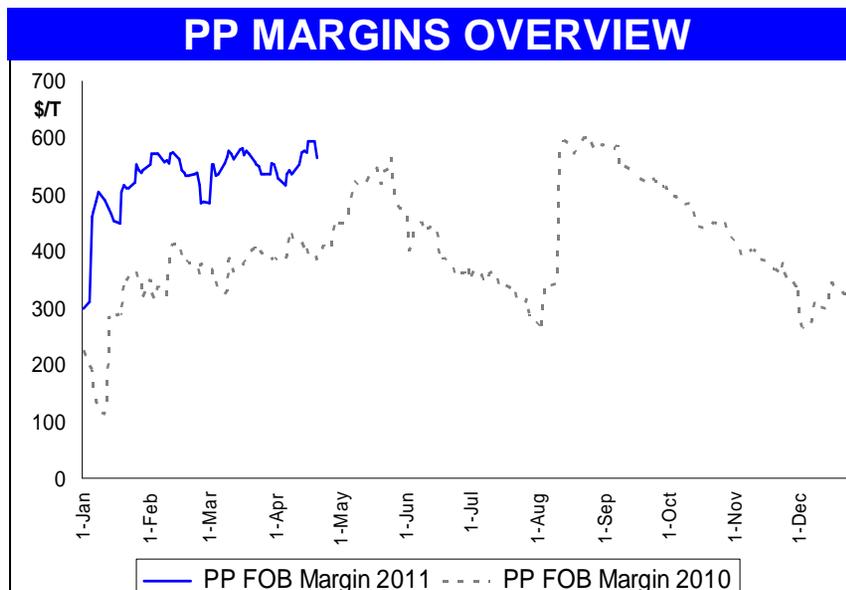
## INTERNATIONAL NETWORK



(\*) Net of VAT and excise duties

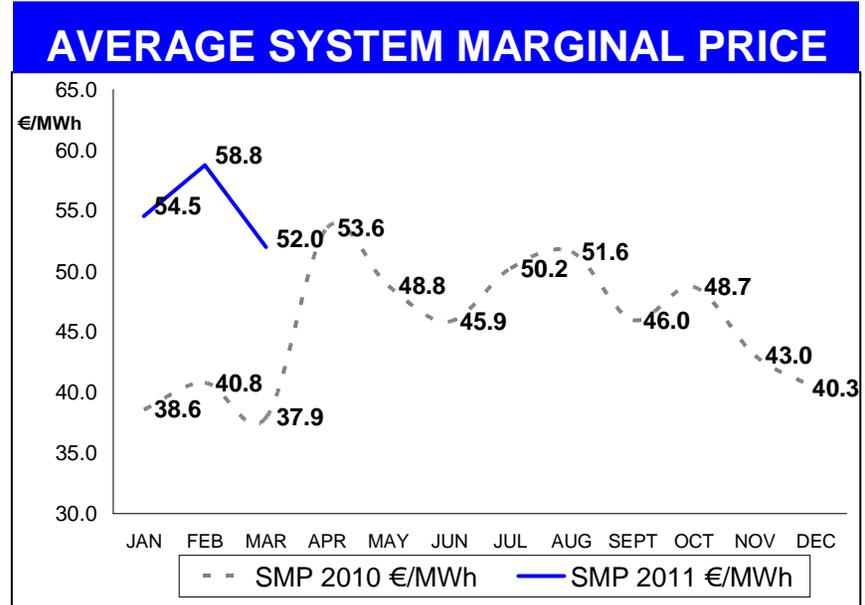
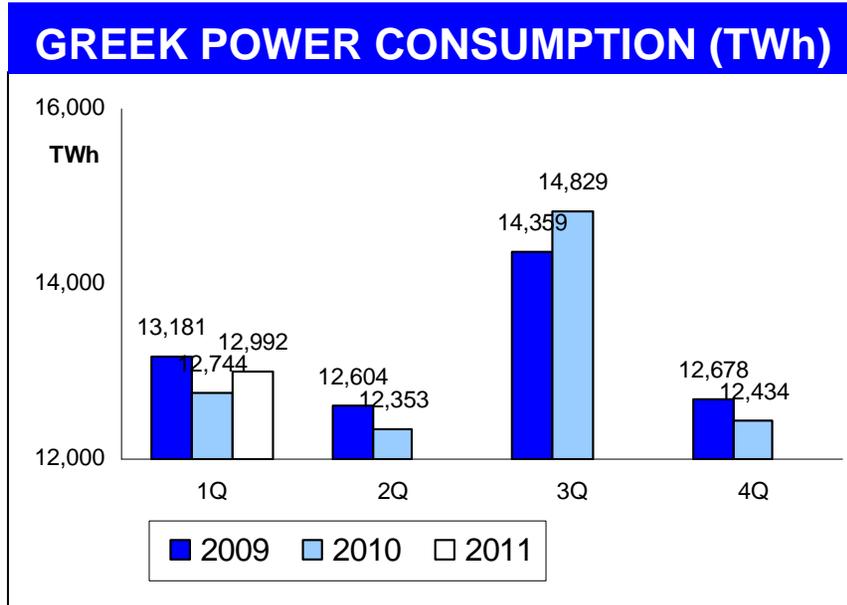
# PETROCHEMICALS: Solid performance (113% EBITDA increase y-y), despite volume decrease, driven by strong PP margins

KEY FINANCIALS				
FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
<b>KEY FINANCIALS</b>				
408	Sales Volume (MT '000)	94	83	-12%
377	Net Sales	80	97	22%
50	EBITDA	8	18	-
33	EBIT	4	14	-
6	Capital Expenditure	1	1	-



## POWER GENERATION: 50% stake in Elpedison

Improved profitability, against continuing difficult market conditions; Thisvi plant commercially operated for first full quarter



- 1Q Greek market demand was up 2% y-o-y as industrial demand increase offset a decline in commercial consumption
- Average SMP and spark spreads, albeit low, improved mainly as a result of higher demand and decreased participation of hydro in the power generation mix (8% in 1Q11)
- Improved results in 1Q, due to change in operating framework (improved cost recovery mechanism and higher fees for capacity certificates) and 420MW CCGT Thisvi plant fully on stream in 1Q11 (operations commenced in December 2010):
  - EBITDA at €12.5m (€2.2m 1Q10); positive after tax contribution

Source: HTSO

## GAS: 35% stake in DEPA

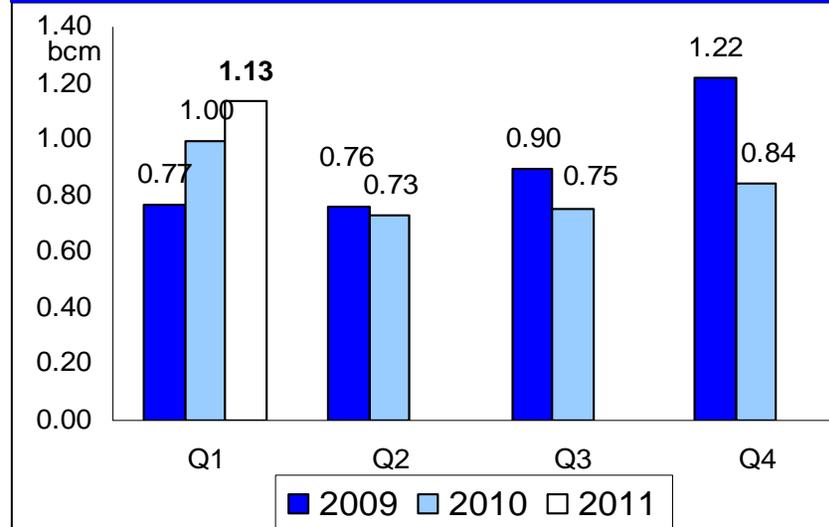
Higher DEPA contribution to HELPE (up 71%) to EUR24m compared to previous year;  
DEPA results are consolidated at Net Income level

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
<b>KEY FINANCIALS</b>				
91	DEPA Reported Profit after tax	41	<b>69</b>	71%
32	Contribution to ELPE Group (35% Stake)	14	<b>24</b>	71%

### RESULTS OVERVIEW

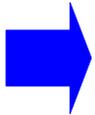
- Nat Gas market primarily driven by electricity market performance and power generation fuel mix
- Volumes increase (c.14% y-o-y) main driver for DEPA performance despite overall market conditions
- Appreciating EUR resulted to positive FX contribution

### DEPA VOLUMES



# AGENDA

- Executive Summary: Results Highlights
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# 1Q 2011 FINANCIAL RESULTS

## GROUP PROFIT & LOSS ACCOUNT

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 2010	1Q 2011	Δ %
8,477	Sales	2,134	2,419	13%
(7,661)	Cost of sales	(1,908)	(2,193)	(15%)
<b>816</b>	<b>Gross profit</b>	<b>226</b>	<b>227</b>	<b>0%</b>
(487)	Selling, distribution and administrative expenses	(113)	(108)	5%
(21)	Exploration expenses	(12)	(1)	94%
35	Other operating (expenses) / income - net	11	9	(15%)
<b>344</b>	<b>Operating profit</b>	<b>112</b>	<b>127</b>	<b>14%</b>
(59)	Finance costs - net	(13)	(17)	(25%)
(16)	Currency exchange gains /(losses)	(22)	27	-
30	Share of operating profit of associates	12	24	-
<b>299</b>	<b>Profit before income tax</b>	<b>88</b>	<b>162</b>	<b>84%</b>
(111)	Income tax expense	(43)	(40)	7%
<b>187</b>	<b>Profit for the period</b>	<b>45</b>	<b>122</b>	<b>-</b>
(8)	Minority Interest	(2)	(3)	(58%)
<b>180</b>	<b>Net Income</b>	<b>43</b>	<b>119</b>	<b>-</b>
<b>0.59</b>	<b>Basic and diluted EPS (in €)</b>	<b>0.14</b>	<b>0.39</b>	<b>-</b>
<b>501</b>	<b>Reported EBITDA</b>	<b>150</b>	<b>165</b>	<b>10%</b>

# 1Q 2011 FINANCIAL RESULTS

## GROUP BALANCE SHEET

IFRS FINANCIAL STATEMENTS € MILLION	FY 2010	1Q 2011
<b>Non-current assets</b>		
Tangible and Intangible assets	2.834	2.888
Investments in affiliated companies	561	586
Other non-current assets	164	165
	<b>3.559</b>	<b>3.638</b>
<b>Current assets</b>		
Inventories	1.601	1.881
Trade and other receivables	939	1.117
Held to maturity securities	168	168
Cash and cash equivalents	596	432
	<b>3.303</b>	<b>3.598</b>
<b>Total assets</b>	<b>6.862</b>	<b>7.236</b>
Shareholders equity	2.387	2.418
Minority interest	145	148
<b>Total equity</b>	<b>2.532</b>	<b>2.565</b>
<b>Non- current liabilities</b>		
Borrowings	1.128	1.112
Other non-current liabilities	310	387
	<b>1.438</b>	<b>1.499</b>
<b>Current liabilities</b>		
Trade and other payables	1.473	1.338
Borrowings	1.297	1.693
Other current liabilities	122	141
	<b>2.892</b>	<b>3.172</b>
<b>Total liabilities</b>	<b>4.330</b>	<b>4.671</b>
<b>Total equity and liabilities</b>	<b>6.862</b>	<b>7.236</b>

# 1Q 2011 FINANCIAL RESULTS

## GROUP CASH FLOW

IFRS FINANCIAL STATEMENTS	1Q	1Q
€ MILLION	2010	2011
<b>Cash flows from operating activities</b>		
Cash generated from operations	(381)	(469)
Income and other taxes paid	(1)	(4)
<b>Net cash (used in) / generated from operating activities</b>	<b>(382)</b>	<b>(473)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & intangible assets	(97)	(91)
Sale of property, plant and equipment & intangible assets	-	-
Grants received	-	-
Interest received	7	5
Investments in associates	-	-
Dividends received	-	-
<b>Net cash used in investing activities</b>	<b>(90)</b>	<b>(86)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(20)	(21)
Dividends paid	-	-
Proceeds from borrowings	668	558
Repayment of borrowings	(286)	(143)
<b>Net cash generated from / (used in ) financing activities</b>	<b>362</b>	<b>394</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(110)</b>	<b>(165)</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>491</b>	<b>596</b>
Exchange losses on cash & cash equivalents	2	1
Net increase/(decrease) in cash & cash equivalents	(110)	(165)
<b>Cash &amp; cash equivalents at end of the period</b>	<b>383</b>	<b>432</b>

# 1Q 2011 FINANCIAL RESULTS

## KEY FINANCIAL RATIOS

FY 2010	IFRS FINANCIAL STATEMENTS € MILLION	1Q 10	1Q 11	Δ%
	<b>KEY RATIOS</b>			
<b>0.59</b>	Net Earnings per Share (€/share)	0.14	<b>0.39</b>	178%
<b>0.67</b>	Adjusted EPS (€/share) <sup>(**)</sup>	0.14	<b>0.15</b>	3%
<b>5%</b>	ROACE % - LAST 12M	5%	<b>6%</b>	-
<b>7%</b>	ROE% - LAST 12M	7%	<b>10%</b>	-
<b>41%</b>	Gearing Ratio (D/D+E)	43%	<b>48%</b>	-
<b>142%</b>	CAPEX as % of EBITDA	65%	<b>55%</b>	-

(\*) Calculated as Reported less the Inventory effects and other non-operating items

# 1Q 2011 FINANCIAL RESULTS

## SEGMENTAL ANALYSIS

FY 10	€ million, IFRS	1Q 10	1Q 11	Δ%
<b>Reported EBITDA</b>				
372	Refining, Supply & Trading	119	137	15%
106	Marketing	35	19	-45%
50	Petrochemicals	8	18	-
529	<b>Core Business</b>	162	174	7%
-28	Other (incl. E&P)	-11	-9	25%
501	<b>Total</b>	150	165	10%
84	<b>Associates (Power &amp; Gas) share attributable to Group</b>	25	43	74%
<b>Adjusted EBITDA (*)</b>				
338	Refining, Supply & Trading	93	44	-53%
114	Marketing	35	19	-45%
50	Petrochemicals	8	18	-
502	<b>Core Business</b>	136	81	-41%
-28	Other (incl. E&P)	-12	-9	30%
474	<b>Total</b>	124	72	-42%
84	<b>Associates (Power &amp; Gas) share attributable to Group</b>	25	43	74%
<b>Adjusted EBIT (*)</b>				
264	Refining, Supply & Trading	75	26	-66%
50	Marketing	19	4	-80%
33	Petrochemicals	4	14	-
347	<b>Core Business</b>	98	43	-56%
-29	Other (incl. E&P)	-13	-9	30%
317	<b>Total</b>	86	34	-60%
54	<b>Associates (Power &amp; Gas) share attributable to Group</b>	17	34	95%

(\*) Calculated as Reported less the Inventory effects and other non-operating items

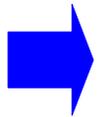
# 1Q 2011 FINANCIAL RESULTS

## SEGMENTAL ANALYSIS – II

FY 10	€ million, IFRS	1Q 10	1Q 11	Δ%
<b>Volumes (MT'000)</b>				
14,557	Refining, Supply & Trading	3,972	<b>3,374</b>	-15%
5,735	Marketing	1,500	<b>1,321</b>	-12%
408	Petrochemicals	94	<b>83</b>	-12%
<b>20,701</b>	<b>Total - Core Business</b>	<b>5,565</b>	<b>4,778</b>	<b>-14%</b>
<b>Sales</b>				
7,832	Refining, Supply & Trading	1,963	<b>2,288</b>	17%
3,508	Marketing	903	<b>1,010</b>	12%
377	Petrochemicals	80	<b>97</b>	22%
11,717	<b>Core Business</b>	<b>2,946</b>	<b>3,395</b>	15%
-3,240	Intersegment & other	-812	<b>-976</b>	-20%
<b>8,477</b>	<b>Total</b>	<b>2,134</b>	<b>2,419</b>	<b>13%</b>
<b>Capital Employed</b>				
1,521	Refining, Supply & Trading	2,243	<b>1,952</b>	-13%
886	Marketing	1,033	<b>920</b>	-11%
145	Petrochemicals	140	<b>164</b>	17%
<b>2,552</b>	<b>Core Business</b>	<b>3,416</b>	<b>3,036</b>	<b>-11%</b>
1,066	Refinery Upgrades	555	<b>1,154</b>	-
561	Associates (Power & Gas)	535	<b>586</b>	9%
12	Other (incl. E&P)	-5	<b>-7</b>	-50%
<b>4,191</b>	<b>Total</b>	<b>4,501</b>	<b>4,768</b>	<b>6%</b>

# AGENDA

- Executive Summary: Results Highlights
- Business Unit Performance
- Financial Results



- **Q&A**

## DISCLAIMER

### Forward looking statements

*Hellenic Petroleum do not in general publish forecasts regarding their future financial results. The financial forecasts contained in this document are based on a series of assumptions, which are subject to the occurrence of events that can neither be reasonably foreseen by Hellenic Petroleum, nor are within Hellenic Petroleum's control. The said forecasts represent management's estimates, and should be treated as mere estimates. There is no certainty that the actual financial results of Hellenic Petroleum will be in line with the forecasted ones.*

*In particular, the actual results may differ (even materially) from the forecasted ones due to, among other reasons, changes in the financial conditions within Greece, fluctuations in the prices of crude oil and oil products in general, as well as fluctuations in foreign currencies rates, international petrochemicals prices, changes in supply and demand and changes of weather conditions. Consequently, it should be stressed that Hellenic Petroleum do not, and could not reasonably be expected to, provide any representation or guarantee, with respect to the creditworthiness of the forecasts.*

*This presentation also contains certain financial information and key performance indicators which are primarily focused at providing a “business” perspective and as a consequence may not be presented in accordance with International Financial Reporting Standards (IFRS).*