HELLENIC PETROLEUM S.A.

Interim Financial Statements
in accordance with IFRS for the
six months ended 30 June 2005

COMPANY REGISTRATION NUMBER: 2443/06/B/86/23
REGISTERED OFFICE: 54 AMALIAS AVE, ATHENS, 54,105, GREECE

Index to the interim financial statements

Introduction

These interim financial statements of Hellenic Petroleum S.A for the 6 month period ended 30 June 2005 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). As this is the first time that the company is preparing financial statements in accordance with IFRS, these interim financial statements present the full set of notes and disclosures as required under IFRS.

These interim financial statements also include reconciliations which present the main differences between the statutory financial statements of the Company under Generally Accepted Accounting Practices in Greece ("Greek GAAP") and IFRS.

However, they have not been prepared using the transitional provisions of IFRS 1 as the company has been preparing consolidated financial statements for the last 7 years and consequently group IFRS policies have been applied.

The last financial period for which the company has prepared financial statements under the Greek GAAP was the year ended 31 December 2004.

Independent auditors review report

To the Shareholders and Board of Directors of Hellenic Petroleum S.A.

We have reviewed the accompanying interim financial statements of Hellenic Petroleum SA (the “Company“), for the six month period ended 30 June 2005. These interim financial statements are the responsibility of Hellenic Petroleum S.A.’s management. Our responsibility is to issue a report on these interim financial statements based on our review.

We conducted our review in accordance with the Greek Standard on Review Engagements. This Standard requires that we plan and perform the review to obtain moderate assurance about whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements of the Company have not been properly prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

PricewaterhouseCoopers S.A.

Athens, 22 February 2006

Constantinos Michalatos
Certified Auditor Accountant
SOEL Reg. No. 17701

(All amounts in Euro thousands unless otherwise stated)

Balance sheet (reviewed)

	Note	At 30 June 2005	At 31 December 2004
ASSETS			
Non-current assets			
Property, plant and equipment	6	675,491	700,796
Intangible assets	7	33,054	15,006
Investments in affiliated companies	8	689,258	693,257
Deferred income tax assets	17	12,306	-
Available-for-sale financial assets	9	5	5
		1,410,114	**1,409,064**
Current assets			
Inventories	10	940,079	614,530
Trade and other receivables	11	603,367	518,447
Cash and cash equivalents	12	56,451	89,083
		1,599,897	**1,222,060**
Total assets		**3,010,011**	**2,631,124**
EQUITY			
Capital and reserves			
Share capital	13	666,019	666,019
Share premium		353,139	353,139
Reserves	14	527,670	510,360
Retained earnings		261,287	200,806
Total equity		**1,808,115**	**1,730,324**
LIABILITIES			
Non-current liabilities			
Borrowings	16	229,036	157,547
Deferred income tax liabilities	17	-	7,194
Retirement benefit obligations	18	105,824	100,694
Provisions and other liabilities	19	35,148	37,501
		370,007	**302,936**
Current Liabilities			
Trade and other payables	15	410,365	415,407
Current income tax liabilities		99,471	40,750
Borrowings	16	290,645	141,707
Dividends payable		31,408	-
		831,889	**597,864**
Total liabilities		**1,201,896**	**900,800**
Total equity and liabilities		**3,010,011**	**2,631,124**

The notes on pages 10 to 44 are an integral part of these financial statements.

(All amounts in Euro thousands unless otherwise stated)

Income statement (reviewed)

	Note	Six months ended 30 June 2005	Six months ended 30 June 2004	1 April 2005 to 30 June 2005	1 April 2004 to 30 June 2004
Sales		2.694.771	2.037.650	1.329.208	988.803
Cost of sales	21	(2.402.800)	(1.839.112)	(1.164.462)	(863.518)
Gross profit		**291.971**	**198.538**	**164.746**	**125.285**
Selling, distribution and administrative expenses	21	(87.037)	(83.780)	(36.813)	(45.320)
Research and development expenses	21	(6.572)	(3.106)	(3.156)	(2.222)
Other operating income / (expenses) - net		1.391	7.915	460	1.050
Operating profit		**199.753**	**119.567**	**125.237**	**78.792**
Finance costs - net	22	(2.356)	424	(5.717)	(4.007)
Foreign exchange losses		(15.176)	(409)	(10.422)	(1.177)
Income from affiliated companies		15.404	13.837	15.404	13.837
Profit before income tax		**197.625**	**133.419**	**124.502**	**87.445**
Income tax expense	23	(60.274)	(42.960)	(38.374)	(26.956)
Profit for the period		**137.351**	**90.459**	**86.128**	**60.489**
Basic	24	0,4496	0,2961	0,2819	0,1980
Profit for the period		137.351	90.459	86.128	60.490
Average number of ordinary shares outstanding		305.513.425	305.463.934	305.513.425	305.463.934

The notes on pages 10 to 44 are an integral part of these financial statements.

(All amounts in Euro thousands unless otherwise stated)

Statement of changes in equity (reviewed)

	Note	Share capital	Reserves	Retained earnings	Total equity
Balance at 1 January 2004		**1,018,835**	**491,673**	**144,797**	**1,655,305**
Profit for the six months		-	-	90,459	90,459
Dividend relating to 2003		-	-	(61,094)	(61,094)
Balance at 30 June 2004		**1,018,835**	**491,673**	**174,162**	**1,684,670**
Balance at 1 July 2004		**1,018,835**	**491,673**	**174,162**	**1,684,670**
Transfers into statutory & tax reserves			18,687	(18,687)	
Profit for the six months		-	-	45,331	45,331
Employees share option scheme:	13	323	-	-	323
Balance at 31 December 2004		**1,019,158**	**510,360**	**200,806**	**1,730,324**
Effect of adopting IFRS 3 (Negative Goodwill Restatement)		-	-	19,874	19,874
Balance at 1 January 2005		**1,019,158**	**510,360**	**220,680**	**1,750,198**
Transfers into statutory & tax reserves	14	-	17,310	(17,310)	-
Profit for the six months		-	-	137,351	137,351
Dividend relating to 2004		-	-	(79,434)	(79,434)
Balance at 30 June 2005		**1,019,158**	**527,670**	**261,287**	**1,808,115**

The notes on pages 10 to 44 are an integral part of these financial statements.

(All amounts in Euro thousands unless otherwise stated)

Cash flow statement (reviewed)

		Six months ended 30 June	
	Note	**2005**	**2004**
Cash flows from operating activities			
Cash generated from operations	26	(159,362)	16,899
Interest paid		(6,178)	(4,563)
Income tax paid		(22,202)	(12,566)
Realised net foreign exchange gain		667	2,820
Net cash from operating activities		**(187,075)**	**2,590**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(21,509)	(51,577)
Purchase of intangible assets	7	(182)	(28)
Proceeds from sale of property, plant & equipment	6	0	(3,109)
Dividends received		14,710	13,143
Interest received	22	3,822	4,987
Net cash used in investing activities		**(3,159)**	**(36,584)**
Cash flows from financing activities			
Dividends paid		(48,027)	(61,092)
Proceeds from long term borrowings		58,879	180
Proceeds from short term borrowings		146,750	7,007
Net cash used in financing activities		**157,602**	**(53,905)**
Net decrease in cash & cash equivalents		**(32,632)**	**(87,899)**
Cash & cash equivalents			
At start of the year	12	89,083	236,091
Net decrease in cash & cash equivalents		(32,632)	(87,899)
At end of the year	12	**56,451**	**148,191**

The notes on pages 10 to 44 are an integral part of these financial statements.

Notes to the interim financial statements (reviewed)

1 General information

Hellenic Petroleum S.A. operates in the oil industry with it's principal activities being that of exploration and production of hydrocarbons, refining of crude oil and sale of oil products, and the production and trading of petrochemical products.

The Company is incorporated in Greece and the address of its registered office is 54 Amalias Ave, Athens, Greece. The shares of the Company are listed on the Athens Stock Exchange.

The interim financial statements of Hellenic Petroleum are prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting. The Company believes that the accounting principles applied in the preparation of these financial statements, which conform to current practice in the oil and gas industry, best reflect the economic substance of its business activities.

The same accounting policies and recognition and measurement principles are followed in these interim financial statements as compared with the annual consolidated financial statements of the Group for the year ended 31 December 2004. The Company's reporting currency is the Euro, and the financial information in these financial statements is expressed in thousands of Euro.

The Company has prepared these stand-alone financial statements to file with the Capital Markets Commission in accordance with regulations P.D. 360/1985 which requires that full IFRS financial statements are available for the holding company as well as the group.

Users of these stand-alone financial statements should read them together with the Group's consolidated financial statements for the six months ended 30 June 2005 in order to obtain full information on the financial position, results of operations and changes in financial position of the Group as a whole.

The financial statements of Hellenic Petroleum S.A. for the half year ended 30 June 2005 were authorised for issue by the Board of Directors on 11 August 2005. However, the Board of Directors decided to reissue these financial statements in order to include the Interim Income Statement of the Company for the three month period 01/04/05 to 30/06/05 and the comparative figures for the same period in 2004. The reissued interim financial statements of the Company for the six month period ended 30 June 2005 were authorised by the Board of Directors on 21 February 2006. The shareholders of the Company have the power to amend the financial statements after issue.

2 Index to the summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation

These interim financial statements of Hellenic Petroleum S.A. are for the six months ended 30 June 2005. They have been prepared in accordance IAS 34, Interim Financial Reporting. These interim financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements (July 2005). The IFRS standards and IFRIC interpretations that will be applicable at 31 December 2005, including those that will be applicable on an optional basis, are not known with certainty at the time of preparing these interim financial statements.

The policies set out below have been consistently applied to all the years presented.

Reconciliations and descriptions of the effect of the transition from Greek GAAP to IFRS on the Group's equity and its net income are given in note 4.2.

These interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements, in accordance with IFRS, requires the use of critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the interim financial statements are disclosed in Critical accounting estimates and judgments in note 4.1. These estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Changes in accounting policy

In March 2004, the International Accounting Standards Board (IASB) issued International Financial Reporting Standard (IFRS) 3, Business Combinations, and revised standards IAS 36, Impairment of Assets and IAS 38, Intangible Assets.

The Company has applied IFRS 3 and the revised provisions of IAS 36 and IAS 38 from 1 January 2005. Accordingly, it has derecognised previously recognised negative goodwill with a net book value of €19,8 million with a corresponding adjustment to the opening balance of retained earnings.

As IFRS 3 is applicable prospectively, prior year comparatives have not been restated.

2.2 Investment in affiliated companies

Investments in affiliated companies are presented at the cost of the interest acquired in the subsidiaries, associates, and joint ventures.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and material returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. As the Company's operations are only in Greece, geographical segments have not been shown.

2.4 Foreign currency translation

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the company operates (the 'reporting currency'). The Interim Financial Statements are presented in euros, which is the Company's reporting currency.

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

2.5 Oil and gas accounting methods

The Company's policies for accounting for oil and gas are in accordance with industry practice. The Company applies the successful efforts method of accounting for exploration and development costs, as described below:

Exploration costs

Geological costs are expensed in the year incurred.

Exploration expenditure is expensed in the year incurred. When proved reserves of oil and gas are determined, and development is sanctioned, the relevant expenditure from that point onwards is capitalised to property, plant and equipment. Exploration leasehold acquisition costs are included in intangible assets and amortised over the period of the licence. When exploration is determined to be unsuccessful the expenditure is charged against income at that time.

2.6 Property, plant and equipment

All property, plant and equipment is shown at cost less subsequent depreciation less subsequent impairment, except for land, which is shown at cost less subsequent impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance are charged to the income statement as incurred except for refinery refurbishment costs which are deferred and charged against income on a straight line basis over the scheduled refurbishment period.

Depreciation on assets is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, as follows:

– Land	Nil
– Buildings	13 - 20 years
– Specialised industrial installations	7 - 15 years
– Machinery, equipment and transportation equipment	5 - 8 years
– Computer hardware	3 - 5 years
– LPG carrier	10 years
– White products carrier	17 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Capitalisation of borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use.

Borrowing costs are capitalised to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. Other borrowing costs are expensed.

2.7 Intangible assets

(a) *Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. In the event that the fair value of the Company's share of the identifiable assets of the acquired subsidiary/associate at the date of acquisition is higher than the cost, negative goodwill arises.

Until 31.12.2004 goodwill was amortised on a straight-line basis for a period not exceeding 20 years. As a result of the change in IFRS 3, goodwill is carried at book value and tested for impairment annually. Negative goodwill, as at 1.1.2005, has been transferred to reserves in accordance with the new IFRS 3 requirements.

(b) *Licences and rights*

License fees for the use of know-how relating to the new polypropylene plant, have been recognised at cost and have been capitalised in accordance with IAS 38, Intangible Assets. They have a definite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licences and rights over their estimated useful lives (15 years).

(c) *Computer software*

These include costs of implementing the (SAP) computer software program.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three years).

(d) *Research and development*

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have a finite useful life and that have been capitalised are amortised from the commencement of the commercial production of the product on a straight-line basis over the period of its expected benefit, not exceeding five years.

Research and development expenditure is charged against income as incurred, and capitalised only under the successful efforts basis in the event of commercially exploitable oil reserves being discovered.

2.8 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (discounted cash flows they are expected to generate based upon management's expectations of future economic and operating conditions). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.9 Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investments.

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(a) Loans and receivables

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

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'Financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis refined to reflect the issuer's specific circumstances.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement

2.10 Government grants

The Company initially records Investment and development grants related to tangible fixed assets as deferred income. Subsequently, they are credited to income over the useful lives of the related assets in direct relationship to the depreciation charged on such assets.

Other grants, which have been provided to the Company, which under certain conditions are repayable, are reflected as such until the likelihood of repayment is minimal. They are then disclosed as contingent liabilities until the possibility of loss becomes remote.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

For refinery stocks the Company uses the average actual prices prevailing after the period end to determine the estimated selling price in the ordinary course of business. Cost of inventories is determined using the average cost method.

2.12 Trade receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Non current bills of exchange and promissory notes, which, are held to maturity, are measured at amortised cost using the effective interest rate method. Those that do not have a fixed maturity are carried at cost, being the fair value of the consideration given.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments such as marketable securities and time deposits with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.14 Share capital

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

2.15 Borrowings

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.16 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.17 Employee benefits

(a) *Pension obligations*

The company participates in various pension schemes. The schemes are funded through payments to funds, determined by periodic actuarial calculations. The payments are determined by the Greek legislation and the funds' regulation. The Company has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Cumulative actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are spread to income over the employees' expected average remaining working lives.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Company pays contributions to publicly administered Social Security funds on a mandatory basis. The Company has no further payment obligations once the contributions have been paid.

The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(c) Share-based plans

The Company operates a share based compensation plan. The share options awarded to management executives are exercisable within five years. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.18 Trade and other payables

Liabilities for trade and other amounts payable which are normally settled on 30-90 days terms, are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

2.19 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

2.20 Environmental liabilities

Environmental expenditure that relates to current or future revenues is expensed or capitalised as appropriate. Expenditure that relates to an existing condition caused by past operations and that does not contribute to current or future earnings is expensed.

Liabilities for environmental remediation costs are recognised when environmental assessments or clean-ups are probable and the associated costs can be reasonably estimated. Generally, the timing of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites.

2.21 Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax and any excise duties, rebates and discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised as follows:

(a) Sales of goods – wholesale

Revenue on sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales of goods are recognised when the Company has delivered the products to the customer; the customer has accepted the products; and collectibility of the related receivables is reasonably assured.

(b) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues accreting the discount as interest income.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.22 Leases

The Company is the lessee

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term. Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved.

2.24 Interim measurement note

(a) Seasonality of the business

The maintenance and installation of security systems and equipment is subject to seasonal fluctuations, with peak demand in the second and third quarter of each year. This is due to better weather conditions. For the six months ended 30 June 2005, the level of maintenance and installation represented 64% of the annual level of maintenance and installation in the year ended 31 December 2004. For the six months ended 30 June 2004, the level of maintenance and installation represented approximately 59% of the annual level of maintenance in the year ended 31 December 2004.

(b) Current income tax

Current income tax expense is recognised in these interim consolidated financial statements based on management's best estimates of the weighted average annual income tax rate expected for the full financial year.

(c) Costs

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

2.25 New accounting standards and IFRIC interpretations

Certain new accounting standards and IFRIC interpretations have been published that are mandatory for accounting periods beginning on or after 1 January 2006. The Company's assessment of the impact of these new standards and interpretations is set out below.

(a) *IFRS 6, Exploration for and Evaluation of Mineral Resources*

The Company does not have any exploration and evaluation assets. This standard will not affect the Company's financial statements.

(b) *IFRIC 4, Determining whether an Asset Contains a Lease*

IFRIC 4 is applicable to annual periods beginning on or after 1 January 2006. The Company has not elected to adopt IFRIC 4 early. It will apply IFRIC 4 in its 2006 financial statements and the IFRIC 4 transition provisions. The Company will therefore apply IFRIC 4 on the basis of facts and circumstances that existed at 1 January 2005. Implementation of IFRIC 4 is not expected to change the accounting for any of the Company's current arrangements.

(c) *IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*

The Company does have interests in decommissioning, restoration and environmental rehabilitation funds. This interpretation will affect the Company's financial statements.

(d) *IAS 39 Amendment, Financial Instruments: Recognition and measurement –The Fair Value Option*

This IAS 39 Amendment issued in June 2005 relates to proposals that were contained in an Exposure Draft of Proposed Amendments in April 2004. Entities shall apply the amendments for annual periods beginning on or after 1 January 2006. This amendment will affect the Company's financial statements.

(e) *IAS 39 Amendment, Financial Instruments: Recognition and measurement –Cash Flow Hedge Accounting of Forecast Intragroup Transactions*

This IAS 39 Amendment issued in April 2005 relates to proposals that were contained in an Exposure Draft of Proposed Amendments in July 2004. Entities shall apply the amendments for annual periods beginning on or after 1 January 2006. This amendment will affect the Company's financial statements.

3 Financial risk management

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Company's overall risk management programme focuses on the unpredictability of commodity and financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Finance Department under policies approved by the Board of Directors. The Finance Department identifies and evaluates financial risks in close co-operation with the Company's operating units.

(a) Market risk

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

(ii) Price risk

The Company is exposed to commodity price risk.

(b) Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that sales of products are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

(d) Cash flow and fair value interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company's cash flow interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

3.2 Accounting for derivative financial instruments and hedging activities

The Company uses derivative financial instruments such as foreign currency contracts and commodity contracts to hedge its risks associated with foreign currency and certain commodity prices fluctuations. Such derivative financial instruments are stated at fair value.

The fair value of forward commodity contracts is calculated by reference to current market values of forward commodity contracts with similar maturity profiles. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

For derivatives that do not qualify for 'hedge accounting', any gains or losses arising from changes in fair value are taken directly to net profit or loss for the period.

3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

4 Critical accounting estimates and judgements, and Greek GAAP to IFRS reconciliations

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Provision for environmental restoration

The Company operates in the oil industry with it’s principal activities being that of exploration and production of hydrocarbons, refining of crude oil and sale of oil products, and the production and trading of petrochemical products. Environmental damage caused by such substances may require the Company to incur restoration costs to comply with the regulations in the various jurisdictions in which the Company operates, and to settle any legal or constructive obligation. Analysis and estimates are performed by the Company together with its legal advisers, in order to determine the probability, timing and amount involved with probable required outflow of resources. Estimated restoration costs, for which disbursements are determined to be probable, are recognised as a provision in the Company’s financial statements. When the final determination of such obligation amounts differs from the recognised provisions, the Company’s income statement is impacted.

(c) Estimated impairment of investments and receivables

The Company tests annually whether investments and receivables have suffered any impairment, in accordance with it’s accounting policies. Significant judgement is involved in managements determination of these estimates.

4.2 Reconciliations between IFRS and Greek GAAP

The following reconciliations provide a quantification of the effect and details of the impact of the transition to IFRS on:

– equity at 31 December 2003, at 30 June 2004, and at 31 December 2004 (Note 4.2.1)

– net income for the periods ended 31 December 2003, 30 June 2004, and 31 December 2004 (Note 4.2.2)

(All amounts in Euro thousands unless otherwise stated)

4.2.1 Reconciliation of equity at 31 December 2003, at 30 June 2004, and at 31 December 2004

	31.12.2003	30.6.2004	31.12.2004
Total equity under Greek GAAP	**1,674,943**	**1,799,957**	**1,702,266**
Reconciliation to IFRS			
Replacement of the provision for statutory indemnities and the defined benefit plan with the provision as calculated by the acturial valuation	29,525	30,868	31,118
Provision for deferred tax	2,913	(1,448)	(7,200)
Reversal of the 1996 revaluation of fixed assets and the effect of depreciation taken	(16,298)	(16,239)	(17,372)
Write off of capitalised costs with no future benefit	(14,634)	(12,910)	(7,734)
Write off of capitalised research and development costs and reversal of related depreciation	(32,668)	(30,170)	(33,750)
Adjustment of depreciation to conform with the group policy	45,479	50,911	59,261
Provision for environmental restorations	(1,092)	(1,092)	(1,092)
Bad debt provision adjustments	0	0	(6,853)
Other provision adjustments	(6,280)	(6,280)	(12,280)
Impairment provision for affiliates	0	0	(18,000)
Reclassification of grant from equity to deferred income or liabilities	(83,471)	(80,474)	(77,489)
Income tax	(4,500)	(43,099)	(4,500)
IPO cost to share premium	(5,377)	(5,285)	(5,192)
Goodwill and depreciation of goodwil	(22,713)	(21,009)	(19,874)
Exchange gains (timing differences)	30,440	23,094	40,768
Dividends	61,092	0	79,433
Valuation of inventories	(2,145)	(2,145)	29,035
Fair value adjustment to forward contract	0	38	38
Other	90	(46)	(260)
Total reconciling items	**(19,639)**	**(115,286)**	**28,057**
Total equity under IFRS	**1,655,305**	**1,684,670**	**1,730,324**

(All amounts in Euro thousands unless otherwise stated)

4.2.2 Reconciliation of net income for the periods ended 31 December 2003, 30 June 2004, and 31 December 2004

	31.12.2003	30.6.2004	31.12.2004
Net income under Greek GAAP	**244,958**	**129,107**	**183,824**
Reconciliation to IFRS			
Replacement of the provision for statutory indemnities and the defined benefit plan with the provision as calculated by the acturial valuation	5,868	1,343	1,593
Provision for deferred tax	2,337	(4,361)	(10,113)
Reversal of the 1996 revaluation of fixed assets and the effect of depreciation taken	71	59	142
Write off of capitalised costs with no future benefit	2,444	1,724	6,900
Write off of capitalised research and development costs and reversal of related depreciation	4,072	2,498	(1,082)
Adjustment of depreciation to conform with the group policy	4,681	5,432	13,782
Bad debt provision adjustments	0	0	(6,853)
Other provision adjustments	(2,000)	0	(6,000)
Reclassification of grant from equity to deferred income or liabilities	(85)	(1,059)	(2,027)
Income tax	(60,871)	(38,599)	(70,559)
IPO cost to share premium	471	92	185
Goodwill and depreciation of goodwil	0	1,704	2,839
Exchange gains (timing differences)	(5,065)	(7,346)	10,328
Dividends	0	0	0
Valuation of inventories	0	0	31,180
Fair value adjustment to forward contract	4,186	38	38
Petrola's profit 5/6-30/9/03	(12,187)	0	0
Other	(45)	(174)	(388)
Total reconciling items	**(56,123)**	**(38,649)**	**(30,035)**
Net income under IFRS	**188,835**	**90,459**	**153,789**

(All amounts in Euro thousands unless otherwise stated)

5 Segment information

(a) Primary reporting format – business segments

The Company is organised into three main business segments determined in accordance with the type of business activity:

- Refining
- Exploration & production
- Petrochemicals

The segment results for the half year ended 30 June 2005 are as follows:

	Refining	Exploration & production	Petrochemicals	Total
Sales	**2,562,672**	**600**	**131,499**	**2,694,771**
Operating profit	209,656	(10,403)	500	199,753
Foreign exchange losses	(15,376)	0	200	(15,176)
Profit before tax,dividend income & finance costs	**194,280**	**(10,403)**	**700**	**184,577**
Finance costs - net (Note 22)				(2,356)
Income from affiliated companies				15,404
Profit before income tax				**197,625**
Income tax expense				(60,274)
Profit for the year				**137,351**

The segment results for the half year ended 30 June 2004 are as follows:

	Refining	Exploration & production	Petrochemicals	Total
Sales	**1,922,053**	**600**	**114,997**	**2,037,650**
Operating profit	131,174	(9,005)	(2,602)	119,567
Foreign exchange losses	(716)	0	307	(409)
Profit before tax,dividend income & finance costs	**130,458**	**(9,005)**	**(2,295)**	**119,158**
Finance costs - net (Note 22)				424
Income from affiliated companies				13,837
Profit before income tax				**133,419**
Income tax expense				(42,960)
Profit for the year				**90,459**

Other segment items included in the income statement are as follows:

	Six months ended 30 June 2005			
	Refining	**Exploration & production**	**Petrochemicals**	**Total**
Depreciation and amortisation	(42,318)	(4,502)	(5,703)	(52,523)
Impairment of trade receivables	(5,857)	0	(5,171)	(11,028)

(All amounts in Euro thousands unless otherwise stated)

	Six months ended 30 June 2004			
	Refining	**Exploration & production**	**Petrochemicals**	**Total**
Depreciation and amortisation	(30,500)	(1,300)	(11,000)	(42,800)
Impairment of trade receivables	(54,041)	0	0	(54,041)

The segment assets and liabilities at 31 December 2004 are as follows:

	Refining	**Exploration & production**	**Petrochemicals**	**Unallocated**	**Total**
Assets	2,381,216	12,595	230,119	7,194	2,631,124
Liabilities	(2,079,191)	(10,998)	(200,931)	(340,004)	(2,631,124)
Capital Expenditure (Notes 6 and 7)	135,339	0	1,719	0	137,058

The segment assets and liabilities at 30 June 2005 are as follows:

	Refining	**Exploration & production**	**Petrochemicals**	**Unallocated**	**Total**
Assets	2,720,372	14,396	262,937	12,306	3,010,011
Liabilities	(2,169,668)	(11,481)	(209,710)	(619,152)	(3,010,011)
Capital Expenditure (Notes 6 and 7)	21,584	0	106		21,690

(b) Secondary reporting format – geographical segments

The Company's activities concentrate mainly within Greece. Therefore no geographical segments were identified.

Analysis of sales by category	**Six months ended 30 June**	
	2005	**2004**
Sales of petroleum refined products	2,563,321	1,922,590
Sales of other basic inorganic chemical substances	4,841	4,435
Sales of other basic organic chemical substances	107,037	82,324
Sales of fertilizers and nitrogen compounds	24	34
Sales of plastics in primary forms	19,548	28,267
Total	**2,694,771**	**2,037,650**

(All amounts in Euro thousands unless otherwise stated)

6 Property, plant and equipment

	Land	Buildings	Plant & Machinery	Transport Equipment	Furniture and fixtures	Assets Under Construction	Total
Year ended 31 December 2004							
Cost and/or Valuation							
Balance as at 1 January 2004	**115,587**	**124,393**	**974,042**	**7,766**	**29,972**	**87,286**	**1,339,046**
Capital expenditure	-	14,920	106,286	422	3,531	9,543	134,702
Disposals	-	(200)	(1,694)	(18)	(39)	-	(1,951)
Transfers, acquisitions & other movements	(51)	-	1,106	-	-	-	1,055
Balance as at 31 December 2004	**115,536**	**139,113**	**1,079,740**	**8,170**	**33,464**	**96,829**	**1,472,854**
Accumulated Depreciation							
Balance as at 1 January 2004	**-**	**72,155**	**592,180**	**6,520**	**20,691**	**-**	**691,546**
Charge for the period	-	6,537	70,946	444	2,890	-	80,817
Disposals	-	(31)	(266)	(3)	(6)	-	(306)
Balance as at 31 December 2004	**-**	**78,661**	**662,860**	**6,961**	**23,575**	**-**	**772,057**
Net Book Amount 31 December 2004	**115,536**	**60,452**	**416,880**	**1,209**	**9,889**	**96,829**	**700,796**
Half year ended 30 June 2005							
Cost and/or Valuation							
Balance as at 1 January 2005	**115,536**	**139,113**	**1,079,740**	**8,170**	**33,464**	**96,829**	**1,472,854**
Capital expenditure	-	12	533	63	950	19,950	21,508
Transfers, acquisitions & other movements	(8,500)	9,725	8,356	148	187	(14,601)	(4,685)
Balance as at 30 June 2005	**107,036**	**148,850**	**1,088,629**	**8,381**	**34,601**	**102,178**	**1,489,677**
Accumulated Depreciation							
Balance as at 1 January 2005	**-**	**78,661**	**662,860**	**6,961**	**23,575**	**-**	**772,057**
Charge for the period	-	3,799	42,494	241	1,592	-	48,126
Transfers, acquisitions & other movements	-	(4,670)	(720)	21	(629)	-	(5,998)
Balance as at 30 June 2005	**-**	**77,790**	**704,634**	**7,223**	**24,538**	**-**	**814,185**
Net Book Amount 30 June 2005	**107,036**	**71,060**	**383,995**	**1,158**	**10,063**	**102,178**	**675,491**

The company has not pledged any property, plant and equipment as security for liabilities.

(All amounts in Euro thousands unless otherwise stated)

7 Intangible assets

	Negative Goodwill	Computer software	Licences & Rights	Total
Year ended 31 December 2004				
Cost and/or Valuation				
Balance as at 1 January 2004	(22,713)	30,557	31,582	39,426
Capital expenditure	-	2,356	-	2,356
Transfers, acquisitions & other movements	-	(1,055)	-	(1,055)
Balance as at 31 December 2004	**(22,713)**	**31,858**	**31,582**	**40,727**
Accumulated Depreciation				
Balance as at 1 January 2004	-	18,334	2,427	20,761
Charge for the period	(2,839)	6,619	1,180	4,960
Balance as at 31 December 2004	**(2,839)**	**24,953**	**3,607**	**25,721**
Net Book Amount 31 December 2004	**(19,874)**	**6,905**	**27,975**	**15,006**
Half year ended 30 June 2005				
Cost and/or Valuation				
Balance at 31 December 2004	**(22,713)**	**31,858**	**31,582**	**40,727**
Effect of adopting IFRS 3 (Negative Goodwill Restatement)	22,713	-	-	22,713
Balance as at 1 January 2005	**-**	**31,858**	**31,582**	**63,440**
Capital expenditure	-	66	116	182
Transfers, acquisitions & other movements	-	1,360	-	1,360
Balance as at 30 June 2005	**-**	**33,284**	**31,698**	**64,982**
Accumulated Depreciation				
Balance at 31 December 2004	(2,839)	24,953	3,607	25,721
Effect of adopting IFRS 3 (Negative Goodwill Restatement)	2,839	-	-	2,839
Balance as at 1 January 2005	**-**	**24,953**	**3,607**	**28,560**
Charge for the period	-	2,668	1,729	4,397
Transfers, acquisitions & other movements	-	(1,054)	25	(1,029)
Balance as at 30 June 2005	**-**	**26,567**	**5,361**	**31,928**
Net Book Amount 30 June 2005	**-**	**6,717**	**26,337**	**33,054**

(All amounts in Euro thousands unless otherwise stated)

8 Investment in affiliated companies

	At 30 June 2005	At 31 December 2004
Beginning of the Year	**693,257**	**706,196**
Additions	-	5,061
Disposals	(4,000)	-
Impairment provision	-	(18,000)
Closing Carrying Amount	**689,258**	**693,257**

Analysis of investment by name

	Participating interest	Country of Incorporation
Asprofos SA	100.0%	Greece
Diaxon ABEE	100.0%	Greece
EKO Georgia LTD	98.3%	Rep. of Georgia
EKO Natural Gas	100.0%	Greece
EKO ABEE	100.0%	Greece
ELPET Balkan SA	63.0%	Greece
Energiaki Thessaloniki SA	100.0%	Greece
HELPE - Apollon Shipping Co	100.0%	Greece
HELPE International AG	100.0%	Austria
HELPE - Poseidon Shipping Co	100.0%	Greece
Global Albania SA	99.9%	Albania
Public Gas Corporation of Greece S.A. (DEPA)	35.0%	Greece
Volos Pet Industries SA	35.0%	Greece
Athens Airport Fuel Pipeline Company S.A. (EAKAA)	50.0%	Greece
Thraki SA	25.0%	Greece
VANCO	100.0%	Greece
EANT	9.0%	Greece
STPC	16.7%	Greece
NAPC	16.7%	Greece

An €18 million impairment provision was put through the profit and loss account in the year ending 31 December 2004. The €4 million disposals pertain to the decrease in shareholdings in both HELPE Apollon Shipping Co and HELPE International AG by €2 million each.

9 Available-for-sale financial assets

	At 30 June 2005	At 31 December 2004
Beginning of the Year	5	4,826
Disposals	0	(4,821)
End of Period	**5**	**5**

(All amounts in Euro thousands unless otherwise stated)

The end of period balance relates to a participation in unlisted shares held by the company in the Technical Park of Thessaloniki.

10 Inventories

	At 30 June 2005	At 31 December 2004
Crude oil	293,798	209,498
Refined products and semi-finished products	546,716	318,983
Petrochemicals	38,188	28,321
Consumable materials and other	61,377	57,728
Total	**940,079**	**614,530**

11 Trade receivables

	At 30 June 2005	At 31 December 2004
Trade receivables	386,520	360,539
Less: provision for impairment of receivables	(62,518)	(47,878)
Trade receivables net	**324,002**	**312,661**
Other Receivables	60,191	72,109
Less: provision for impairment of other receivables	(4,500)	(9,469)
Other receivables net (analysed below)	**55,691**	**62,640**
Deferred charges and prepayments	7,291	4,373
Receivables from related parties (Note 29)	216,383	138,773
Total	**603,367**	**518,447**

Other receivables are as follows:

	At 30 June 2005	At 31 December 2004
VAT, Withholding taxes & Excise Duties	16,912	17,104
Advances and loans to personnel	11,871	5,239
Advances to suppliers	1,413	9,417
Social Security Fund receivables	0	15,499
Sundry	25,495	15,381
Total Other Receivables	**55,691**	**62,640**

The fair values of the receivables are equal to their carrying amount.

(All amounts in Euro thousands unless otherwise stated)

12 Cash and cash equivalents

	At 30 June 2005	At 31 December 2004
Cash at Bank and In Hand	56,202	57,883
Short-term Bank Deposits	249	31,200
Total	**56,451**	**89,083**

The weighted average effective interest rate was:

	At 30 June 2005	At 31 December 2004
Cash at Bank and On Hand		
Euro	2.05%	2.04%
USD	2.67%	1.34%
Short-term Bank Deposits		
Euro	2.05%	2.04%
USD	2.67%	1.34%

13 Share capital

	Number of Shares	Ordinary shares	Share premium	Total
As at 1 January 2004	**305,463,934**	**665,911**	**352,924**	**1,018,835**
As at 30 June 2004	**305,463,934**	**665,911**	**352,924**	**1,018,835**
Employee share option scheme	49,491	108	215	323
As at 31 December 2004	**305,513,425**	**666,019**	**353,139**	**1,019,158**
As at 30 June 2005	**305,513,425**	**666,019**	**353,139**	**1,019,158**

Authorised ordinary shares were the same as the number of ordinary shares issued and fully paid up. The nominal value of each ordinary share is €2,18.

(All amounts in Euro thousands unless otherwise stated)

Share option schemes

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	At 30 June 2005		At 31 December 2004	
	Average Exercise Price in € per share	Options	Average Exercise Price in € per share	Options
At 1 January	**8.52**	**191,627**	**8.83**	**146,448**
Granted		-	6.97	94,670
Excercised		-	6.49	(49,491)
At 31 December	**8.52**	**191,627**	**8.52**	**191,627**

Share options outstanding at the year end have the following expiry date and exercise prices:

Expiry Date:	**Exercise Price**	**Shares**	
		At 30 June 2005	**At 31 December 2004**
29-May-06	6.49	11,137	11,137
16-May-07	13.06	20,570	20,570
26-Nov-07	9.68	65,250	65,250
02-Mar-09	6.97	94,670	94,670
Total		**191,627**	**191,627**

Hellenic Petroleum S.A. offered until the end of 2004 a share option scheme to management executives. The exercise price was determined based on the Company's share performance compared to the market and the options are exercisable within five years. During the AGM of Hellenic Petroleum S.A. held on 25 May 2005 a revised share option scheme was approved with the intention to link the number of share options granted to employees with the results and performance of the Group and its management. No options have been granted under this scheme as of 30 June 2005.

14 Reserves

	Statutory reserve	Special reserves	Tax reserves (Under special tax laws)	Total
Balance at 1 January 2004	**178,978**	**71,660**	**241,035**	**491,673**
Balance at 30 June 2004	**178,978**	**71,660**	**241,035**	**491,673**
Transfer to statutory and tax reserves	6,687	-	12,000	18,687
Balance at 31 December 2004	**185,665**	**71,660**	**253,035**	**510,360**
Transfer to statutory and tax reserves	(975)	-	18,285	17,310
Balance at 30 June 2005	**184,690**	**71,660**	**271,320**	**527,670**

(All amounts in Euro thousands unless otherwise stated)

Tax reserves

Tax deferred reserves are retained earnings which have not been taxed as allowed by Greek law under various statutes. Certain of these retained earnings will become liable to tax at the rate prevailing at the time of distribution to shareholders or conversion to share capital. A deferred tax liability has not been provided as future distributions to shareholders and conversions to share capital are not normally anticipated to be made through these reserves.

Partially taxed reserves are retained earnings, which have been taxed at a rate less than the corporate tax rate as allowed by Greek law. Certain of these retained earnings will be subject to the remaining tax up to the corporate tax rate prevailing at the time of distribution to shareholders or conversion to share capital. A deferred tax liability has not been provided as future distributions to shareholders and conversions to share capital through these reserves are not anticipated.

Statutory reserves

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

15 Trade and other payables

	At 30 June 2005	**At 31 December 2004**
Trade payables	38,105	110,133
Amounts due to related parties (Note 29)	18,249	15,455
Accrued Expenses & Deferred Income	325,230	258,233
Other payables	28,781	31,586
Total	**410,365**	**415,407**

The main items in Accrued expenses & Deferred Income are:

	At 30 June 2005	**At 31 December 2004**
Accruals	276,367	206,032
Deferred income	48,863	52,201
	325,230	**258,233**

The main items in accruals are:

	At 30 June 2005	**At 31 December 2004**
Interest Payable	-	914
Accrued expenses	11,416	4,772
Accrued purchases of oil cargos	264,783	197,688
Other	168	2,658
	276,367	**206,032**

(All amounts in Euro thousands unless otherwise stated)

The main items in Other payables are:

	At 30 June 2005	At 31 December 2004
Social security	2,564	6,731
Payroll	1,707	5,774
Employee Christmas bonus provision	18,096	-
Private Medical & Insurance plan	-	2,177
Other taxes	-	14,412
Sundry	6,414	2,492
Total Other payables	**28,781**	**31,586**

16 Borrowings

	At 30 June 2005	At 31 December 2004
Non-current borrowings		
Bank borrowings	229,036	157,547
Total non-current borrowings	**229,036**	**157,547**
Current borrowings		
Bank overdrafts	281,723	132,785
Current portion of long term debt	8,922	8,922
Total current borrowings	**290,645**	**141,707**
Total borrowings	**519,681**	**299,254**

The maturity of non-current borrowings is as follows:

	At 30 June 2005	At 31 December 2004
Between 1 and 2 years	8,922	36,453
Between 2 and 5 years	212,839	109,358
Over 5 years	7,275	11,736
	229,036	**157,547**

The weighted average effective interest rates at the balance sheet date were as follows:

	At 30 June 2005		At 31 December 2004	
	€	**US$**	**€**	**US$**
Bank Overdrafts	2.34%	3.24%	-	2.04%
Bank Borrowings (short-term)	2.34%	3.24%	-	2.04%
Bank Borrowings (long-term)	2.65%	LIBOR+0.35%	3.14%	LIBOR+0.35%

(All amounts in Euro thousands unless otherwise stated)

The carrrying amounts of the Company's borrowings are denominated in the following currencies:

	At 30 June 2005	At 31 December 2004
Euro	333,607	299,254
US dollar	186,074	-
Total borrowings	**519,681**	**299,254**

Bond Loan

In February 2005, the Company issued a five year US $ 350 million Bond Loan with Mandated Lead Arrangers The Bank of Tokyo – Mitsubishi Ltd, Citigroup Global Markets Ltd., EFG Telesis Finance S.A. and National Bank of Greece S.A. The Loan was signed with the participation of sixteen financial institutions and is part of the Company's refinancing arrangement of existing credit lines. As of 31 March 2005, US$150 million had been drawn for the repayment of the 3-year Syndicated credit facility leaving an unutilised credit of US$200 million. An additional draw down of US$75 million was made on 12 April 2005, leaving an unutilised credit of US$125 million as at 30 June 2005.

17 Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

The gross movement on the deferred income tax account is as follows:

	At 30 June 2005	At 30 December 2004
Beginning of the period	(7,194)	2,919
Income statement charge (January - June)	19,500	(4,361)
Income statement charge (July - December)	0	(5,752)
End of period (asset/(liability))	**12,306**	**(7,194)**

(All amounts in Euro thousands unless otherwise stated)

Deferred tax relates to the following types of temporary differences:

	At 30 June 2005	At 30 December 2004
Intangible and fixed assets	(13,125)	(9,915)
Stock valuation	-	(8,551)
Environmental provision	273	273
Unrealised exchange gains	-	(13,056)
Employee benefits provision	25,176	23,893
Other temporary differences	(18)	163
Net deferred income tax asset/(liability)	**12,306**	**(7,194)**
Deferred income tax liabilities	**(28,949)**	**(48,285)**
Deferred income tax assets	**41,255**	**41,090**

18 Retirement benefit obligations

	At 30 June 2005	At 31 December 2004
Balance sheet obligations for:		
Pension benefits	90,905	87,810
Total as per balance sheet	**90,905**	**87,810**
Income statement charge for (Note 20)**:**		
Pension benefits	8,325	14,113
Total as per income statement	**8,325**	**14,113**

The amounts recognised in the balance sheet are as follows:

	At 30 June 2005	At 31 December 2004
Present value of unfunded obligations	144,800	140,859
Unrecognised actuarial gains / (losses)	(36,654)	(37,757)
Unrecognised prior service cost	(2,322)	(2,409)
Liability in the Balance Sheet	**105,824**	**100,694**

The amounts recognised in the income statement are as follows:

(All amounts in Euro thousands unless otherwise stated)

	At 30 June 2005	At 30 June 2004
Current service cost	3,534	6,274
Interest cost	3,128	5,436
Net actuarial (gains) / losses recognised in the year	1,102	1,796
Past service cost	86	-
Regular p&l charge	**7,852**	**13,506**
Additional cost of extra benefits	473	607
Total included in employee benefit expense (Note 23)	**8,325**	**14,113**

The movement in liability recognised in the balance sheet is as follows:

	At 30 June 2005	At 31 December 2004
Beginning of year	100,694	85,123
Total expense included in employee benefit expense	9,837	21,569
Contributions paid	(4,707)	(5,998)
End of year	**105,824**	**100,694**

The principal actuarial assumptions used were as follows:

	At 30 June 2005	At 31 December 2004
Discount Rate	5.00%	5.00%
Future Salary Increases	4.50%	4.50%
Average future working life	11.32 years	11.75 years

19 Provisions and other liabilities

	At 30 June 2005	At 31 December 2004
Government advances	25,614	25,614
Environmental provisions	1,092	1,092
Other provisions and liabilities	8,442	10,795
End of period	**35,148**	**37,500**

Government advances

Advances by the Government (Hellenic State) to the Company for the purposes of research and exploration amount to € 25.614 thousands and have been recorded as a liability since such an amount may become payable if income is generated from activity in the relevant areas. The terms of repayment will be determined by the Ministry of Development and Industry, if applicable.

(All amounts in Euro thousands unless otherwise stated)

Environmental costs

A provision of € 1.092 thousands has been established for the estimated cost of rectifying environmental damage, as required by regulatory authorities, at various Company facilities.

20 Employee benefit expense

	Six months ended 30 June	
	2005	**2004**
Wages and salaries	63,620	58,284
Overtime	5,042	6,162
Social security costs	10,250	9,908
Pension costs	10,651	7,937
Other employment benefits	10,438	9,650
Total	**100,001**	**91,941**

Included in Other employment benefits are medical insurance, catering, and transportation expenses.

21 Expenses by nature

	Six months ended 30 June 2005			
	Cost of sales	**Selling, distribution and administrative expenses**	**Research and development expenses**	**Total**
Employee compensation and expenses	55,274	33,490	131	88,895
Professional fees and expenses	18,061	5,238	-	23,299
Charges for outside services	23,605	5,647	20	29,272
Taxes and Duties	3,857	926	24	4,806
Miscellaneous expenses	9,584	16,758	12	26,355
Interest related expenses	2	103	-	105
Depreciation and amortisation charges	44,068	7,951	3	52,022
Operating provisions	6,631	16,924	6,383	29,938
Costs of inventories recognised as expense	2,241,717	-	-	2,241,717
Total	**2,402,800**	**87,037**	**6,572**	**2,496,409**

(All amounts in Euro thousands unless otherwise stated)

	Six months ended 30 June 2004			
	Cost of sales	Selling, distribution and administrative expenses	Research and development expenses	Total
Employee compensation and expenses	52,546	30,608	212	83,366
Professional fees and expenses	14,819	4,917	17	19,752
Charges for outside services	24,527	4,861	31	29,419
Taxes and Duties	781	2,018	39	2,838
Miscellaneous expenses	12,353	16,179	22	28,554
Interest related expenses	4	60	-	64
Depreciation and amortisation charges	40,366	12,771	135	53,272
Operating provisions	4,529	12,365	2,651	19,545
Costs of inventories recognised as expense	1,689,188	-	-	1,689,188
Total	**1,839,112**	**83,780**	**3,106**	**1,925,998**

22 Finance costs - net

	Six months ended 30 June	
	2005	**2004**
Interest expense:		
- Bank borrowings	(6,178)	(4,563)
Interest income:		
- Trade receivables	-	2,131
- Deposits	3,822	2,856
	3,822	4,987
Total	**(2,356)**	**424**

23 Income tax expense

	Six months ended 30 June	
	2005	**2004**
Current tax	79,774	38,599
Deferred tax (Note 17)	(19,500)	4,361
Total	**60,274**	**42,960**

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company, as follows:

(All amounts in Euro thousands unless otherwise stated)

	Six months ended 30 June	
	2005	**2004**
Profit Before Tax	**197,625**	**133,419**
Tax calculated at tax rates applicable to profits	63,240	40,026
Income not subject to tax	(4,929)	(4,151)
Expenses not deductible for tax purposes	-	2,724
Deferred tax	1,963	4,361
Tax Charge	**60,274**	**42,960**

The basic tax rate was 32% for the period ending 30 June 2005 (30% for the period ending 30 June 2004, due to special tax rates applying as a result of the merger with Petrola).

24 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

Earnings per share attributable to the equity holders of the Company (expressed in euro per share):

	Six months ended 30 June	
	2005	**2004**
Basic	0.4496	0.2961
Profit for the period	137,351	90,459
Average number of ordinary shares outstanding	305,513,425	305,463,934

The Company has dilutive potential ordinary shares (share options). Diluted earnings per ordinary share are not presented, as their effect would not be material.

25 Dividends per share

A dividend in respect of 2004 of €0.26 per share (amounting to a total of €79.433.490,50) was approved by the Annual Shareholders Meeting held on 25 May 2005 to all shares issued.

(All amounts in Euro thousands unless otherwise stated)

26 Cash generated from operations

		Six months ended 30 June	
	Note	**2005**	**2004**
Profit for the Period		**137,351**	**90,459**
Adjustments for:			
Tax	23	60,274	42,960
Depreciation and amortisation of tangible and intangible assets	6,7	52,522	42,784
Reduncancies provision		9,836	4,403
Provisions for bad debts		5,171	-
Other Provisions		4,000	-
Exchange gains		16,647	409
Interest income	22	(3,822)	(4,987)
Interest expense	22	6,178	4,563
Dividend income		(15,404)	(13,837)
Amortisation of government grants	19	(3,198)	(3,052)
		269,555	**163,702**
Changes in working capital			
(Increase) / decrease in inventories		(325,549)	(94,249)
(Increase) / decrease in trade and other receivables		(94,151)	(34,616)
Increase / (decrease) in payables		(4,511)	(14,966)
Payments for pensions		(4,706)	(2,972)
		(428,917)	**(146,803)**
Net cash generated from / (used in) operating activities		**(159,362)**	**16,899**

27 Contingencies

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

(i) The Government has advanced the Company € 43.434 thousands to undertake research and exploration, as determined by Law 367/1976. A portion of the amount received, € 25.614 thousand, may become repayable once the Company generates income from the discoveries resulting from its expenditure and therefore is included as part of the long-term liabilities. The remaining € 17.902 thousand has been written off as it is considered highly unlikely because of the nature of the expenditure that it will ever become repayable. The terms of repayment will be determined by the Ministry of Development, if applicable. The expenditure incurred with the funding of advance has been written off.

(ii) The Company is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information, management believes the outcome will not have a significant effect on the company's operating results or financial position.

(iii) The Company has entered into a contract with the Hellenic State for the construction of sports facilities at the Thessaloniki refinery premises for the use by the general public and the employees of the Company until the year 2017. Management is not in a position to determine whether the terms of the contract will be extended indefinitely or whether the land will be repossessed by the Hellenic State.

(iv) During 2004, Hellenic Petroleum S.A. was audited by the Greek tax authorities for the years ended 31 December 1997 to 2001. An amount of €11,9 million of additional taxes, plus fines was assessed by tax authorities for prior year tax audits and was recorded in the financial statements for the year ended 31 December 2004. The Company has not undergone a tax audit for the years ended from 31 December 2002 to 31 December 2004.

(All amounts in Euro thousands unless otherwise stated)

(v) Following an accident involving the motor tanker KRITI-GOLD on November 1998, at the Company's mooring installation in Thessaloniki, four seamen died. Claims have been lodged in connection with this accident against the ship owner and the Company. Of the four claims, three have already been settled with the involvement of the insurers. The last one is still pending but its outcome is not likely to have a material effect.

(vi) The Company has given letters of comfort and guarantees of €279 million to banks for loans undertaken by subsidiaries and associates of the Company, the outstanding amount of which as of 30 June 2005 was €184 million. The Company has also issued letters of credit and guarantees in favour of third parties amounting to € 390 million mainly for the completion of contracts entered into by the Company.

(vii) In addition, in October 2002 the Company guaranteed, through a Performance Bond issued by the National Bank of Greece of € 45 million, its performance of the Investment Programme committed under the share purchase agreement for the acquisition of Jugopetrol AD Kotor, which as at 30.06.05 has decreased to € 24 million.

28 Commitments

The Company has contractual obligation to make environmental investments of €7 million and capital investments in property, plant and equipment of € 2 million at the Aspropyrgos refinery. Respectively, for the Thessaloniki refinery the Company has an obligation to make environmental investments of €7,2 million and capital investments in property, plant and equipment of approximately €1 million.

In relation to the exploration activities, as at 30 June 2004 the Company has total capital commitments of €15 million for the new Libyan exploration agreement (31/12/04: € 15 million). These commitments change depending on the progress of work.

The capital commitment of €5 million for the Albanian programme existing at 31 December 2004 has been completed in 2005.

The Company has committed through the share purchase agreement with Jugopetrol AD Kotor to a Guaranteed Investment Programme of €35 million. In addition, it has committed to a social program of €4 million involving training of the personnel and local community support.

29 Related-party transactions

i) Sales of goods and services	**Six months ended 30 June**	
	2005	**2004**
Sales of goods:		
Affiliated Companies	835,069	622,006
Non affiliated	281,962	199,644
Sales of services:		
Affiliated Companies	2,531	2,298
	1,119,562	**823,948**

(All amounts in Euro thousands unless otherwise stated)

ii) Purchases of goods

	Six months ended 30 June	
	2005	**2004**
Purchases of goods:		
Affiliated Companies	23,395	34,341
Non affiliated	11,112	8,904
	34,507	**43,245**

iii) Year-end balances arising from sales / purchases of goods / services

	At 30 June 2005	At 31 December 2004
Receivables from related parties (Note 11):		
Affiliated Companies		
Trade Debtors Intercompany	135,538	97,997
Non Trade Debtors Intercompany	6,130	720
Non affiliated		
Balances due from related parties	74,715	40,056
	216,383	**138,773**
Payables to related parties (Note 15):		
Affiliated Companies		
Trade Creditors Intercompany	8,413	8,212
Non Trade Creditors Intercompany	2,717	557
Non affiliated		
Balances due to related parties	7,119	6,686
	18,249	**15,455**
	198,134	**123,318**

Non affiliated or Governmental organisations include the Hellenic National Defence Force and the Public Power Corporation (Hellas). They are considered related parties due to the shareholding in the Company by the Hellenic Government.

30 Post Balance Sheet Events

Following the end of the reporting period, the Board of Directors of the Group approved the launch of FEED (Front End Engineering Design), for the continuation of the project to upgrade one of the Greek refineries.