

# 2Q/1H 2009 Results



27 August 2009

Results Conference Call Presentation

## DISCLAIMER

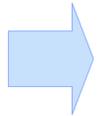
### Forward looking statements

*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).*

# AGENDA



- **2Q 2009 Results Highlights**
- Business Units Performance
- Financial Results
- Q&A

## 2Q 2009 HIGHLIGHTS

- 2Q09 operating profitability impacted by lower refining margin, which offset significant transformation gains:
  - Adjusted EBITDA at €101m, down 16% y-o-y and 12% vs 1Q09
  - Adjusted Net Income at €63m, up 4% y-o-y and 24% q-o-q, due to FX gains and lower net finance expenses
  - Transformation initiatives resulted in €13m gains in 2Q09, bringing the total in 1H09 to c€25m
- Reported results reflect impact of oil prices on inventory, plus a provision (€39m) for the recently launched voluntary early retirement scheme (VERS):
  - 2Q Reported Net income at €106m (-18% y-o-y and +212% q-o-q)
- Successful VERS, with a total estimated cost of c€60m and a 3-year payback period, leading to a 10% overall reduction in staff numbers
- Agreement to acquire BP's ground fuels business in Greece, for a total consideration of €359m:
  - strengthening of our leading position in Greece, in retail and C&I;
  - significant synergies (€10m pa in total)
- Capex accelerated to €160m (1Q09: €43m), driven by the refinery upgrade projects proceeding within the planned time-frame and budget
- Balance sheet remained strong: Net Debt at €630m and D/(D+E) at 20%
- Interim dividend maintained at €0.15/share, reflecting confidence in long-term prospects

## 2Q 2009 RESULTS SUMMARY

- Refining, Supply and Trading adjusted EBITDA at €69m, down 30% y-o-y and -34% q-o-q, on somewhat lower volumes (-1% in Greece) and weaker margins
  - Realised margins higher than benchmarks, due to improved flexibility in sourcing of crudes and further optimisation of LP models
  - Transformation gains amounted to €7m, up from €3m in 1Q09
- Domestic Marketing EBITDA increased by 16% y-o-y to €15m, due to higher ATPs, an improved sales mix and increased margins
- International Marketing EBITDA adjusted for the cost of the VERS was flat y-o-y at €12m, despite slowing Balkan economies
- Petrochemicals EBITDA up 47% y-o-y to €10m, on improving global industry conditions
- No contribution from the Elpedison JV to Group Net income, as T-Power is expected to restart in September
- DEPA's contribution to Group Net Income decreased by 86% y-o-y to €2m, due to lower demand and weaker margins
- USD weakening leads to revaluation gains on loan portfolio, reversing the losses in 1Q09

# GROUP KEY FINANCIALS – 2Q/1H 2009

2Q 08 (*)	2Q 09	Δ%	€ million, IFRS	1H 08 (*)	1H 09	Δ%	vs Reported 2008	
							2Q08	1H 08
2,624	1,567	-40%	Net Sales	5,114	3,161	-38%	2,662	5,207
211	159	-25%	EBITDA	335	251	-25%	221	362
119	101	-16%	Adjusted EBITDA **	173	215	24%	129	200
129	106	-18%	Net Income	221	141	-37%	130	227
60	63	4%	Adjusted Net Income **	107	114	6%	61	125
0.42	0.35	-18%	EPS (€)	0.72	0.46	-37%	0.43	0.74
0.20	0.21	4%	Adjusted EPS (€) **	0.35	0.37	6%	0.20	0.41
-305	271	-	Free Cash Flow	-334	66	-	-296	-310

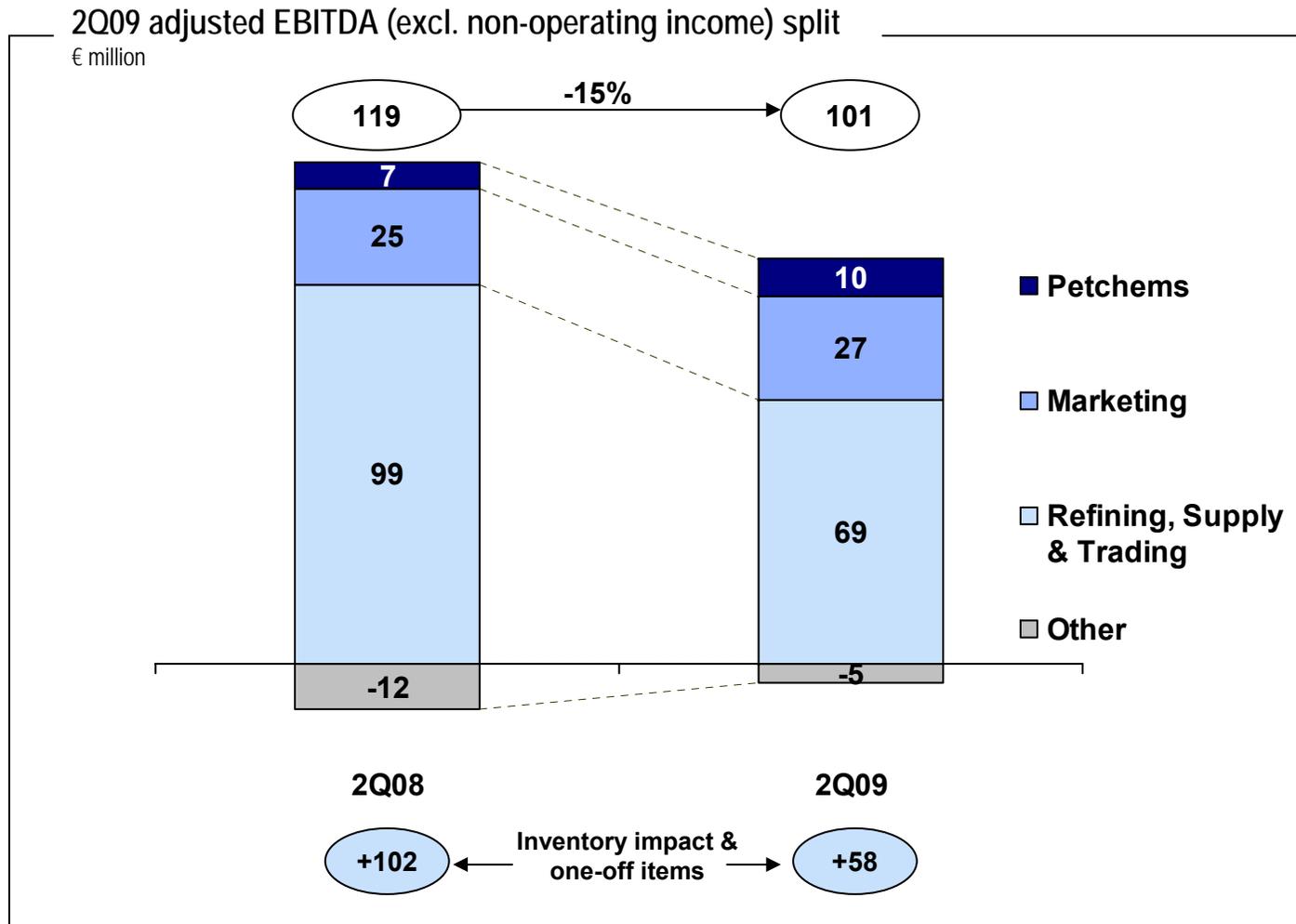
(\*) 2008 results have been restated for the equity consolidation of Elpedison, the 50/50 JV with Italy's Edison: T-Power's results have been treated as income from associates, rather than being fully consolidated

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

## RECONCILIATION BETWEEN REPORTED & ADJUSTED EBITDA

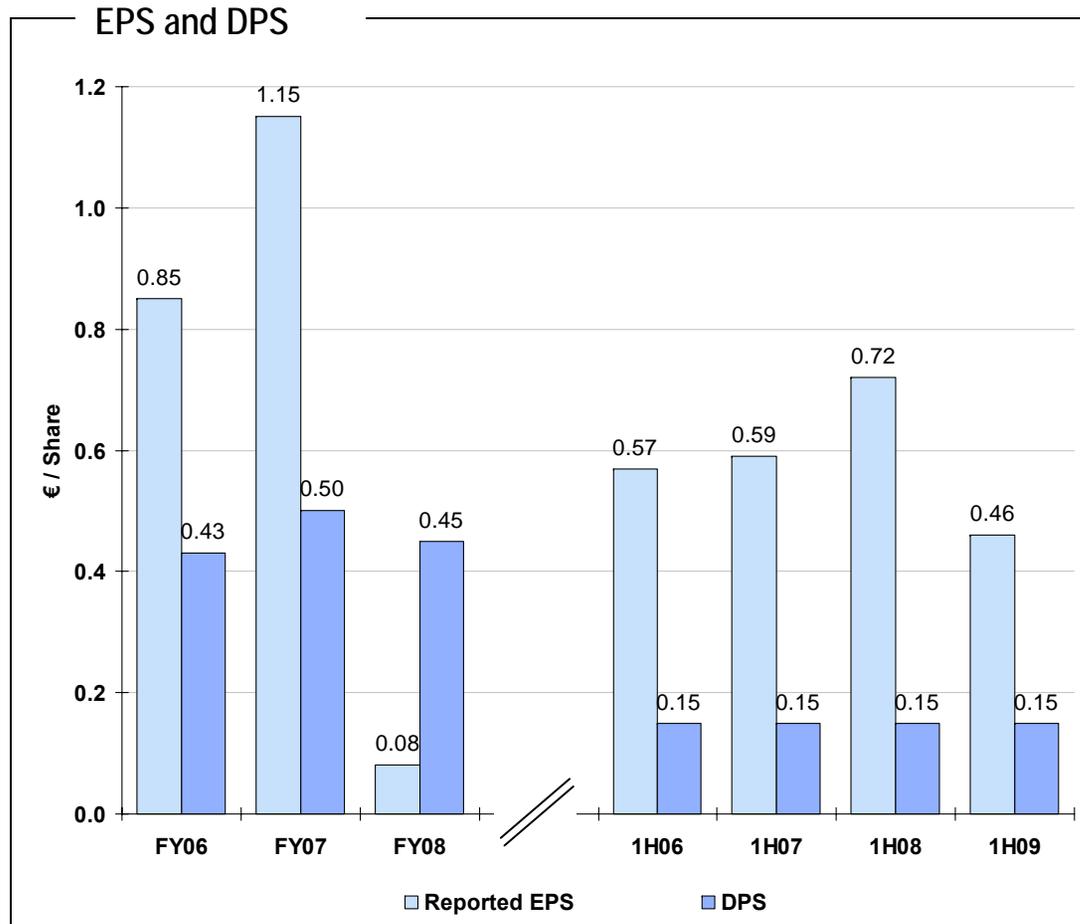
<i>(€ million)</i>	<b>2Q08</b>	<b>2Q09</b>	<b>1H08</b>	<b>1H09</b>
<b>Reported EBITDA</b>	<b>221</b>	<b>159</b>	<b>362</b>	<b>251</b>
Inventory (gains)/losses	(93)	(97)	(136)	(75)
Power business contribution	(9)	-	(27)	-
OKTA-related settlement	-	-	(26)	-
Restructuring / VERS-related costs	-	39	-	39
<b>Adjusted EBITDA</b>	<b>119</b>	<b>101</b>	<b>173</b>	<b>215</b>

# EBITDA CONTRIBUTION OF EACH SBU



**Weaker middle distillate cracks negatively affect 2Q09 results**

# DIVIDEND POLICY



- Interim dividend of €0.15 per share, flat y-o-y
- Ex-dividend date set for Monday, 19 October 2009

**Interim dividend maintained, reflecting confidence in long-term prospects**

## **TRANSFORMATION INITIATIVES: resulted in €13m gains in 2Q09, bringing the total in 1H09 to c€25m**

- **“Refining excellence”**: Further progress raised the realised benefits during 2Q09 to €7m (1Q09: €3m), in line with our FY target of €18m
  - New opportunities have been confirmed in the area of margin improvement and focus now is on responding effectively to market fluctuations
  - In parallel, asset management initiatives indicated specific areas for improvement for our planned turnarounds scheduled for 2H09
- **“Marketing competitiveness”**:
  - Gross margin management, further rationalisation of the customer base, as well as flat y-o-y operating expenses, lead to a benefit of c€6m in 2Q09
  - Completed the acquisition of 3 new tankers and 2 RoRo vessels, which will improve logistics and route to the market from 2H09 onwards
  - Continuous footprint optimization
- **“BEST50” procurement programme**:
  - On track to hit FY target of over €15m
  - Savings of €6m already achieved y-t-d, split equally between opex and capex
- **Group re-organisation, voluntary early retirement scheme and relocation of HQ** :
  - Shared services structure in support functions is being rolled-out, with full implementation by end-2010
  - VERS is being implemented, with estimated cost savings of €21m pa
  - Relocation of HQ will take place right after the summer holiday period

## **VOLUNTARY EARLY RETIREMENT SCHEME: Successful implementation of the Group's 1<sup>st</sup> ever such programme**

### **Scope:**

- Programme for voluntary early retirement across Group companies

### **Objectives:**

- Bring down average age and unit cost
- Redirect HR investment from non core admin functions to young technical staff and specialised commercial and business skills
- Reduce annual cost
- Facilitate creation of shared services and head office functions

### **Results:**

- Successful implementation at ELPE (parent company), EKO and JPK (Montenegro)
- 10% reduction in Group full-time employees (c500)
- One-off, total cost of c€60m, of which €39m impacted 2Q results, and the remainder will be booked in 3Q
- Total annual savings of €21m pa

# AGENDA



- 2Q 2009 Results Highlights
- **Business Unit Performance**
- Financial Results
- Q&A

## BUSINESS UNITS PERFORMANCE



- ***Refining, Supply & Trading***
- *Marketing*
- *Petrochemicals*
- *Power & Gas*
- *E&P*

# REFINING: Key financials

2008	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%
<b>REPORTED RESULTS</b>						
3,905	<b>3,793</b>	-3%	SALES VOLUME - KT	8,375	<b>8,367</b>	0%
2,572	<b>1,447</b>	-44%	NET SALES	5,035	<b>2,975</b>	-41%
191	<b>136</b>	-29%	EBITDA	290	<b>218</b>	-25%
175	<b>118</b>	-33%	EBIT	256	<b>184</b>	-28%
<b>ADJUSTED OPERATING RESULTS <sup>(1)</sup></b>						
99	<b>69</b>	-30%	ADJUSTED EBITDA	128	<b>173</b>	35%
<b>KEY CASHFLOW NUMBERS</b>						
39	<b>121</b>	-	CAPITAL EXPENDITURE	64	<b>157</b>	145%
<b>KEY INDICATORS</b>						
122.5	<b>59.6</b>	-51%	AVERAGE DATED BRENT PRICE - \$/bbl	109.4	<b>52.7</b>	-52%
7.60	<b>3.99</b>	-47%	BENCHMARK FOB MED CRACKING MARGIN - \$/bbl	6.14	<b>4.68</b>	-24%
1.56	<b>1.36</b>	-13%	AVERAGE EUR/USD RATE (€1 =)	1.53	<b>1.33</b>	-13%

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

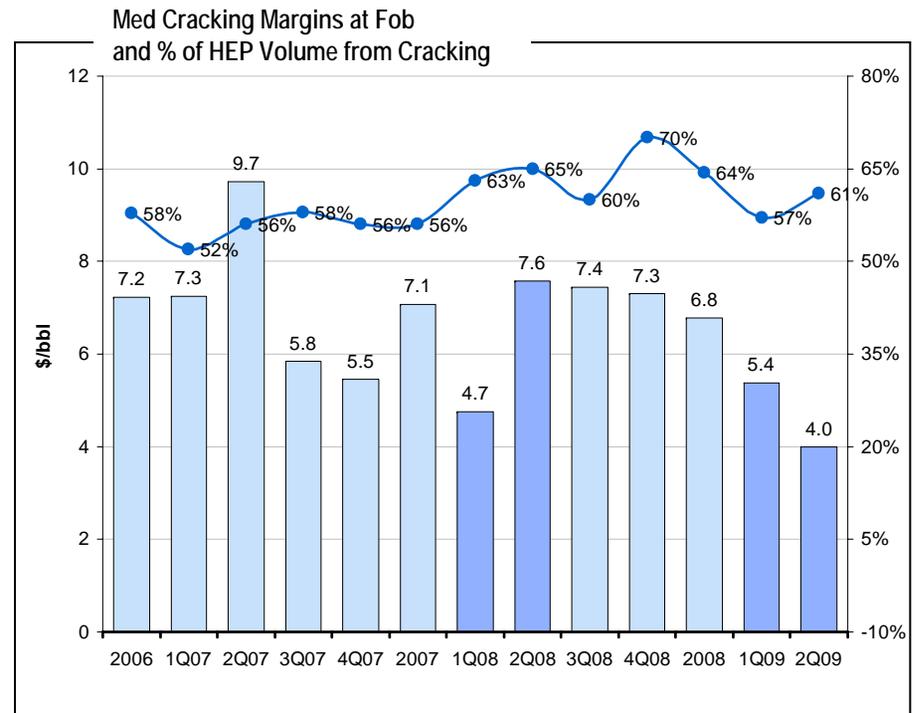
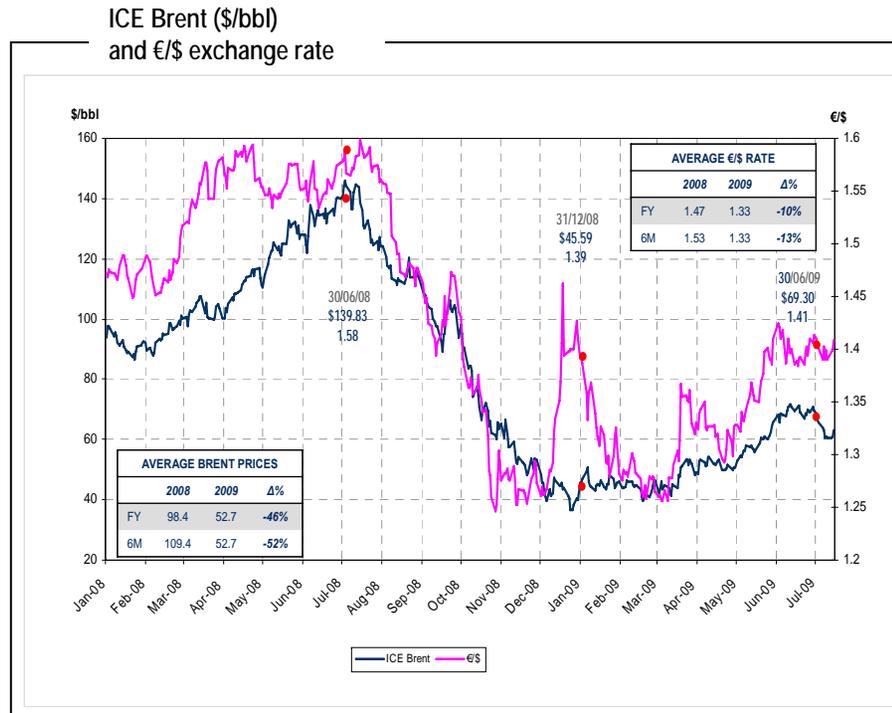
## Domestic

2008	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008	H1 2009	Δ%
<b>REPORTED RESULTS - GREECE</b>						
3,634	<b>3,588</b>	-1%	VOLUME - KT	7,811	<b>7,834</b>	0%
2,387	<b>1,364</b>	-43%	SALES	4,690	<b>2,791</b>	-40%
186	<b>129</b>	-31%	EBITDA	250	<b>208</b>	-17%
171	<b>112</b>	-34%	EBIT	218	<b>177</b>	-19%
<b>ADJUSTED RESULTS <sup>(1)</sup></b>						
97	<b>64</b>	-34%	ADJUSTED EBITDA	119	<b>165</b>	39%

## International

2008	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008	H1 2009	Δ%
<b>REPORTED RESULTS - INTERNATIONAL</b>						
271	<b>205</b>	-24%	VOLUME - KT	564	<b>533</b>	-5%
184	<b>82</b>	-55%	SALES	346	<b>184</b>	-47%
5	<b>7</b>	33%	EBITDA	40	<b>10</b>	-74%
4	<b>6</b>	41%	EBIT	38	<b>7</b>	-81%
<b>ADJUSTED RESULTS <sup>(1)</sup></b>						
2	<b>5</b>	-	ADJUSTED EBITDA	9	<b>8</b>	-12%

## REFINING: 2Q marked by lower refining margins and stronger € vis-à-vis the previous quarter



- Crude oil prices moved higher, averaging \$60/bbl from \$46 in 1Q09, standing 50% lower vs 2Q08
- Adverse FX moves: the € strengthened to an average \$1.36 vs \$1.30 in 1Q09 (and \$1.56 in 2Q08)

- Mediterranean refining margins declined in 2Q vs 1Q, on a lower Brent-Urals discount and weaker demand for end-products:
  - cracking margins down heavily y-o-y and q-o-q, mainly due to drop in diesel cracks as a result of weakness in the global economy; in contrast, gasoline cracks remained relatively strong
  - hydroskimming and topping margins were lower vs 1Q, but remained above 2Q08 levels

## REFINING: Weaker underlying profitability on lower system margin

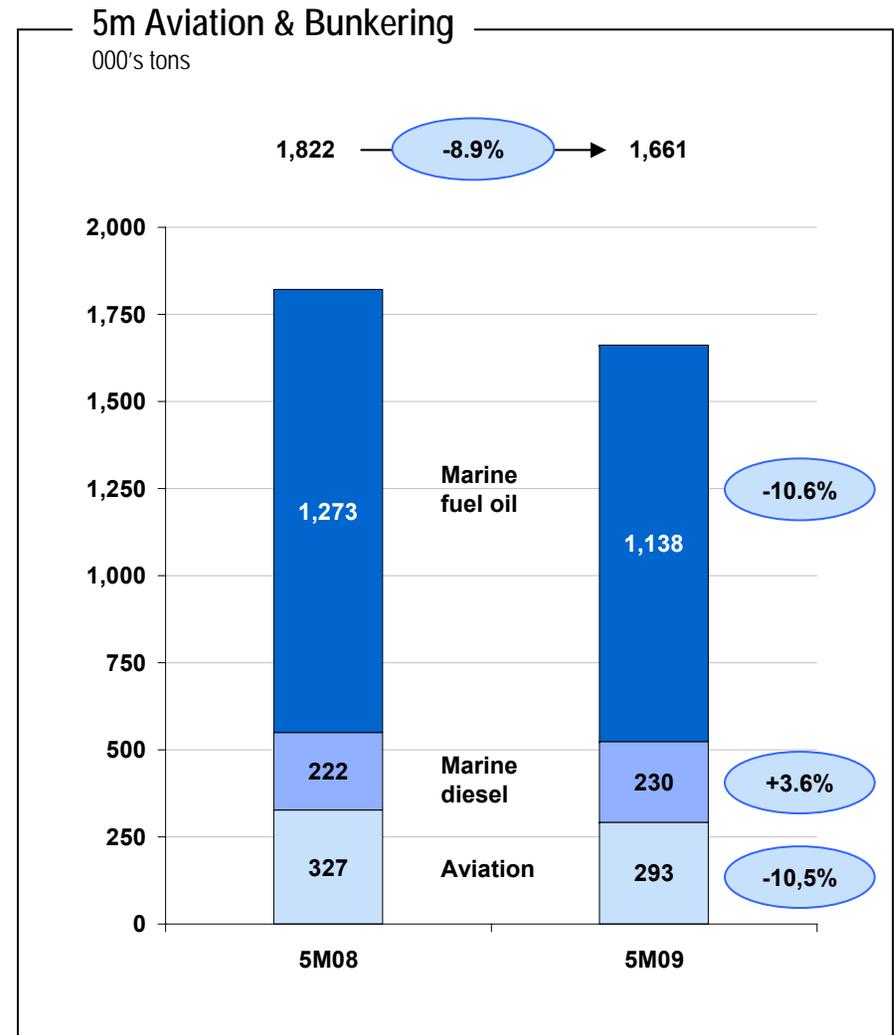
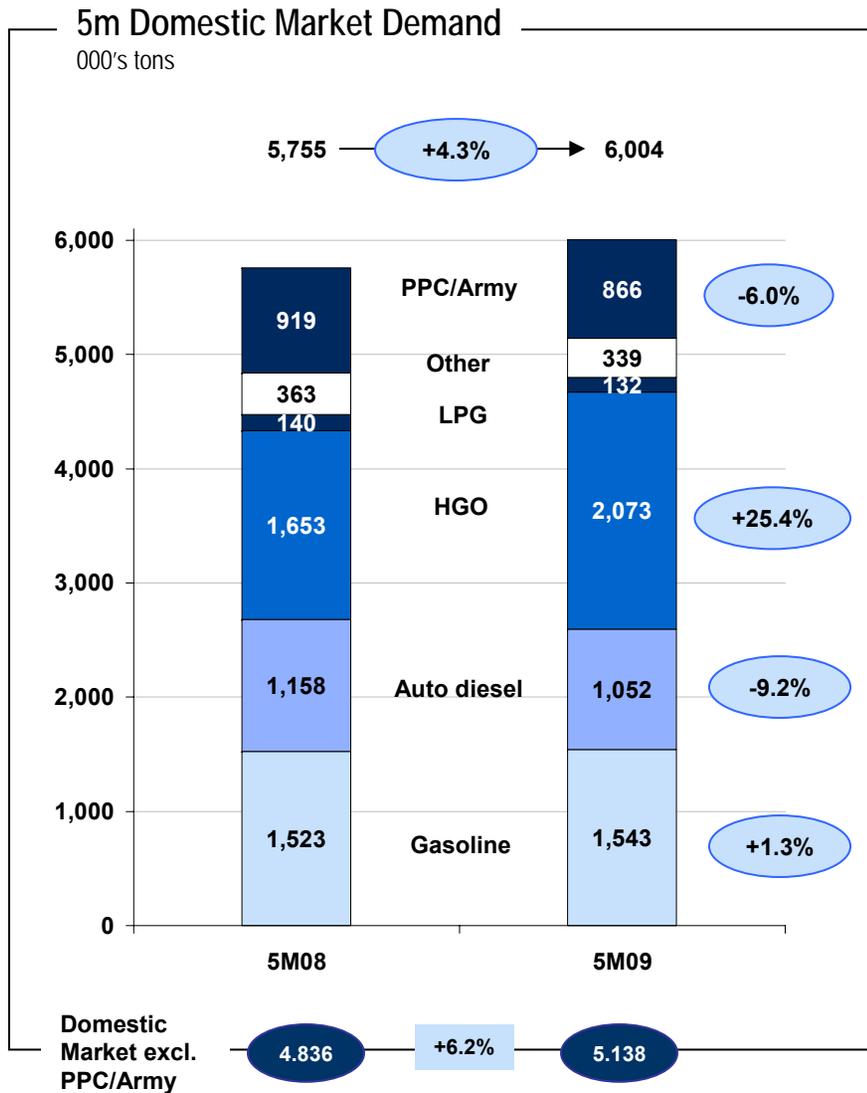
### Results

- Domestic volumes essentially flat y-o-y, with market share gains in gasoline and heating gasoil
- Adjusted EBITDA at €69m (2Q08: €99m), driven by the lower system margin
  - Realised margins higher than benchmarks, due to improved flexibility in sourcing of crudes and further optimisation of LP models
  - Transformation gains amounted to €7m, up from €3m in 1Q09
- Reported results affected by €97m in inventory-related gains, compared to €22m inventory losses in 1Q and gains of €92m in 2Q08
  - Reported results include a €30m provision for the VERS

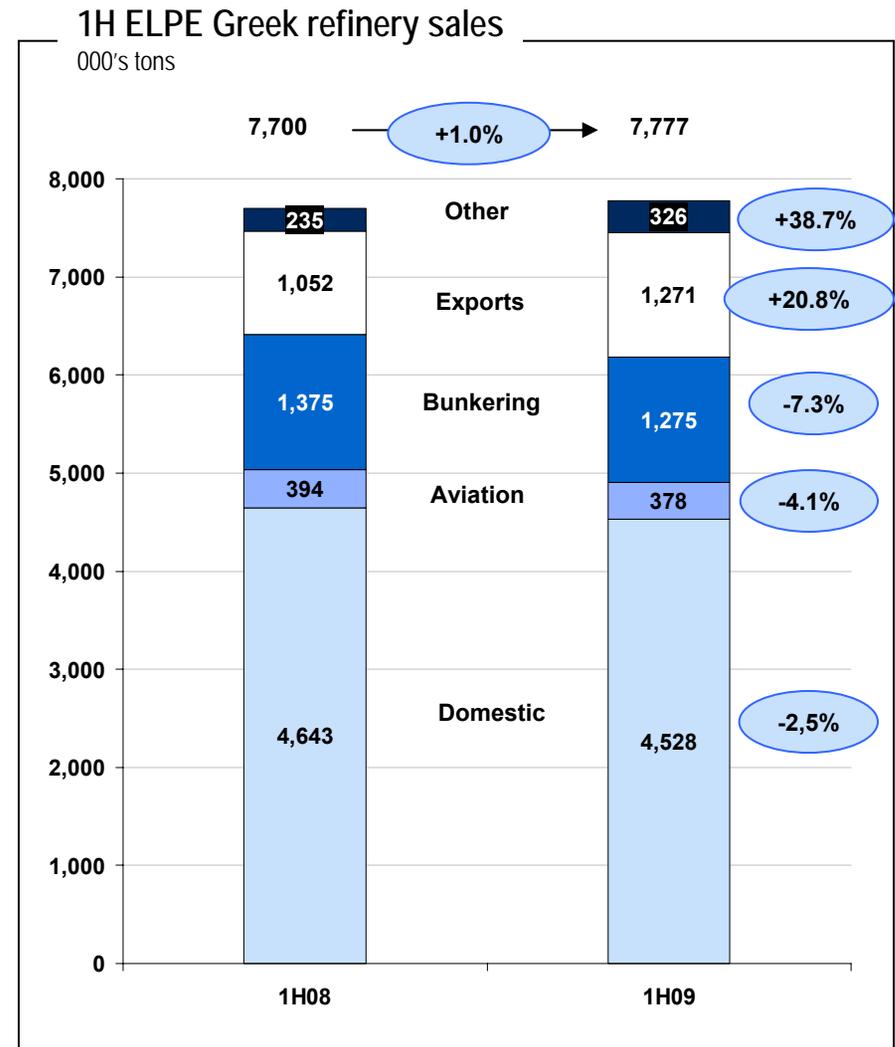
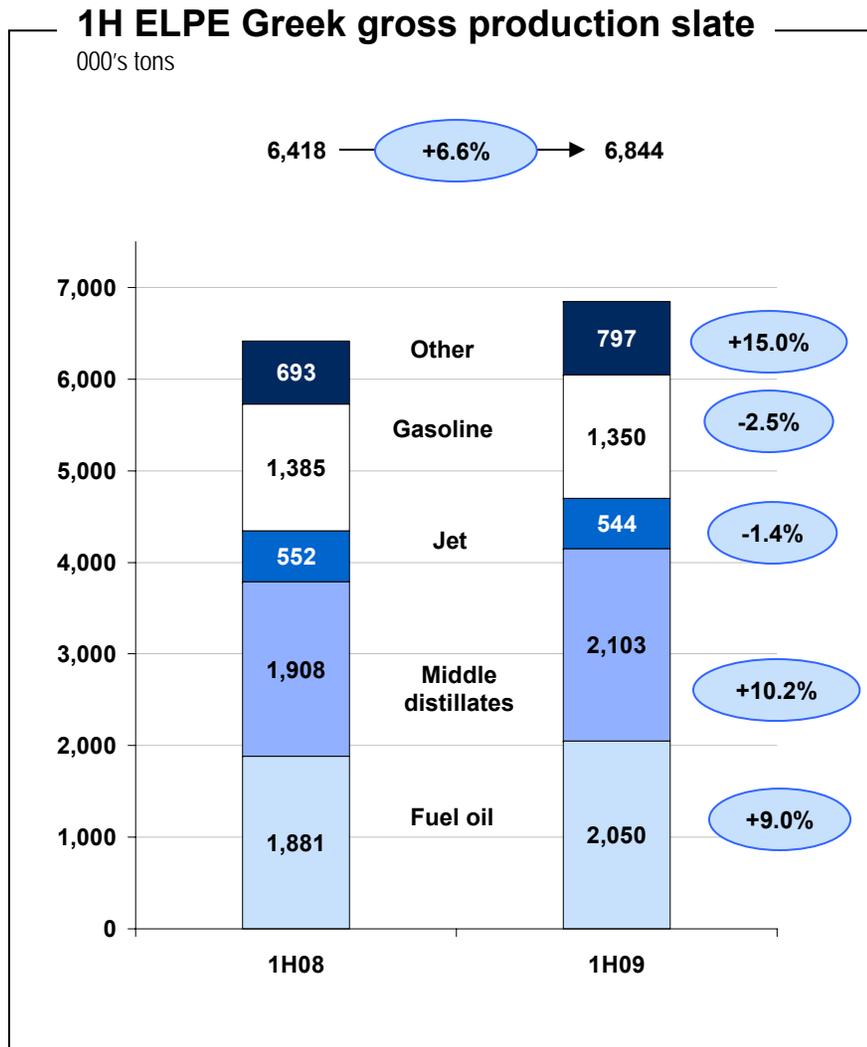
### Key developments

- Successful uptake of the Group's 1<sup>st</sup> ever early retirement plan
- Elefsina and Thessaloniki upgrades on track to meet budgets and start-up dates
- Performance improvement initiative yields gains;
  - Examples:
    - closure of the energy intensive benzene saturation process unit
    - process fine tuning and stricter product quality control at atmospheric distillation units
    - optimisation of operating parameters at the isomerization reactor

# REFINING: Domestic market demand was up 4.3% y-o-y in the 5-months to end-May 2009, on increased heating gasoil sales



# REFINING: ELPE Greek refineries gross production up 6.6% y-o-y; Total sales up 1% but excl. PPC sales grew 4.8%



## BUSINESS UNITS PERFORMANCE



- *Refining, Supply & Trading*
- **Marketing**
- *Petrochemicals*
- *Power & Gas*
- *E&P*

# MARKETING: Key financials

2008	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%
<b>KEY FINANCIALS</b>						
1,139	1,147	1%	SALES VOLUME - KT	2,432	2,326	-4%
844	551	-35%	NET SALES <sup>(*)</sup>	1,593	1,049	-34%
25	18	-28%	EBITDA	42	32	-23%
18	10	-44%	EBIT	27	15	-43%
30	38	26%	CAPITAL EXPENDITURE	40	45	11%
<b>ADJUSTED OPERATING RESULTS<sup>(*)</sup></b>						
25	27	8%	ADJUSTED EBITDA <sup>(**)</sup>	42	41	-2%
<b>KEY INDICATORS</b>						
-	-	-	PETROL STATIONS	1,525	1,520	0%

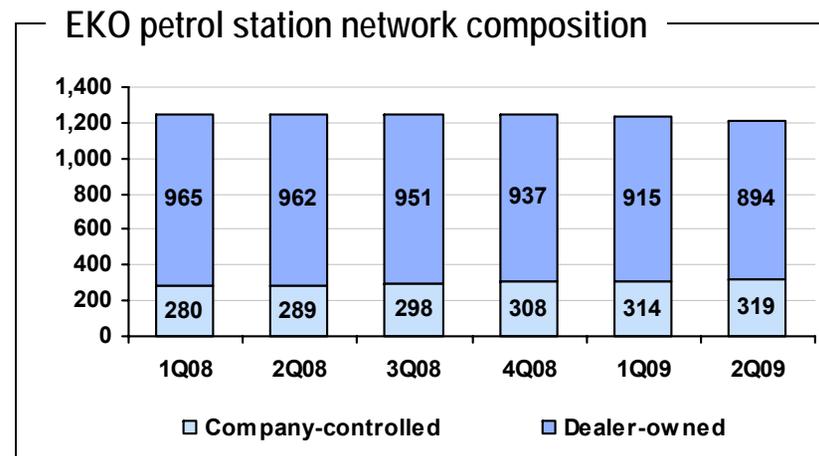
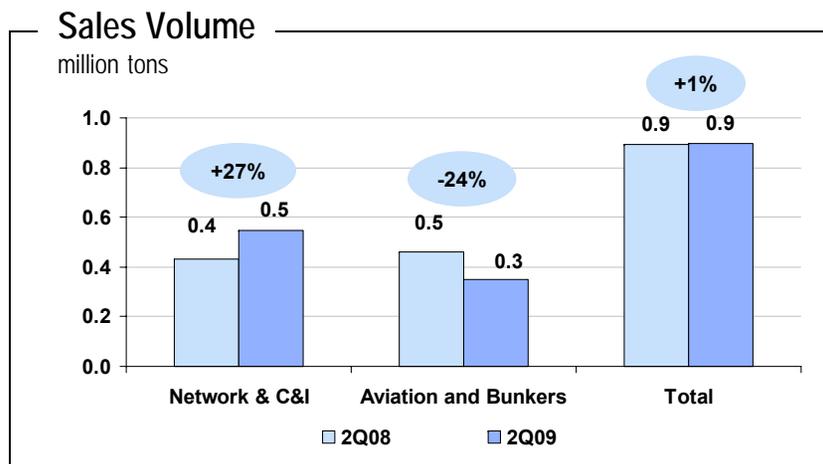
(\*) Net sales excluding sales and consumption taxes

(\*\*) Calculated as Reported less non-operating items (ie VRS-related cost)

Domestic			IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%
<b>KEY FINANCIALS - GREECE</b>						
892	896	0%	VOLUME - KT	1,949	1,837	-6%
625	397	-36%	NET SALES	1,195	765	-36%
13	15	16%	EBITDA	21	23	11%
9	11	16%	EBIT	13	14	10%
8	12	52%	EBT	12	13	14%
8	34	-	CAPEX	13	37	191%
<b>ADJUSTED OPERATING RESULTS<sup>(*)</sup></b>						
13	15	16%	ADJUSTED EBITDA <sup>(**)</sup>	21	23	11%
<b>KEY INDICATORS</b>						
-	-	-	PETROL STATIONS	1,251	1,213	-3%
3.0	3.2	6%	ATP (M <sup>3</sup> PER DAY)	3.7	4.0	8%

International			IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%
<b>KEY FINANCIALS - INTERNATIONAL</b>						
247	251	1%	VOLUME - KT	483	489	1%
219	154	-30%	SALES	398	284	-29%
12	3	-76%	EBITDA	21	9	-57%
8	-1	-	EBIT	14	1	-92%
4	-6	-	EBT	8	-11	-
23	4	-83%	CAPEX	27	7	-73%
<b>ADJUSTED OPERATING RESULTS<sup>(*)</sup></b>						
12	12	0%	ADJUSTED EBITDA <sup>(**)</sup>	21	18	-14%
<b>KEY INDICATORS</b>						
-	-	-	PETROL STATIONS	274	307	12%
8.0	7.8	-3%	ATP (M <sup>3</sup> PER DAY)	7.8	7.6	-3%

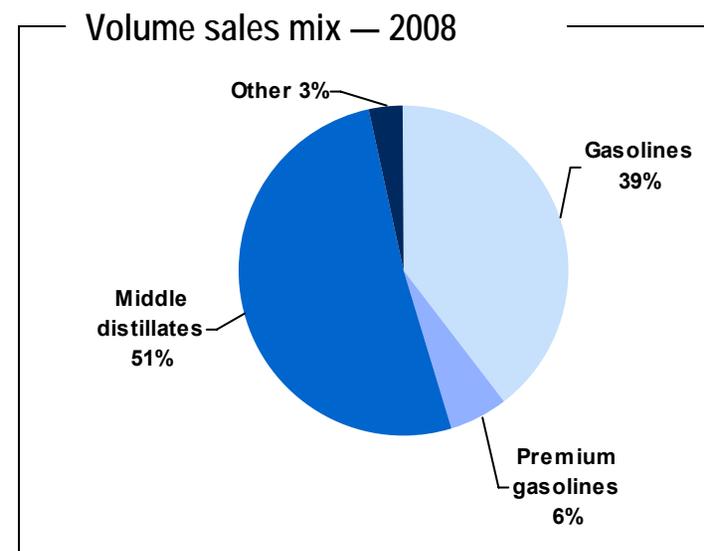
## DOMESTIC MARKETING: Increased operating profitability, despite downturn in consumption



- 2Q09 sales volume flat y-o-y, after the 11% drop in 1Q, as increased Network & CI sales offset weakness in aviation & bunkers
- EBITDA up 16% y-o-y to €15m (1Q09: €8m), due to a 6% increase in ATPs (mainly due to increased heating gasoil sales), improved commercial policy/offering, rationalisation of logistics and increased focus on higher value clients/products
  - Transformation initiatives yield €6m in gains in 2Q
- Restructuring of the network continues; company-controlled petrol stations increased by 4% y-t-d, accounting for 26% of the total network at end-June 2009
- Stricter management of WC needs
- Improved operational efficiencies in logistics, through acquisition of 3 new tankers and 2 RoRo vessels
- HQ relocation and participation in shared services in progress for EKO
- Turnaround of loss-making businesses ,ie LPG and Bunkers
- VERS launched in EKO, with 125 employees (c20% of total) participating:
  - annual savings estimated at €9m pa

## ACQUISITION OF BP'S GROUND FUELS BUSINESS IN GREECE

- Agreement (subject to the approval of the relevant authorities) to acquire BP's nationwide network of 1,200 branded service stations (out of which c1/3 are company-controlled), storage facilities of 170,000m<sup>3</sup>, as well as the commercial and industrial supply business
  - strengthening of our leading position in Greece, in terms of both retail and C&I;
  - significant synergies (€10m pa in total) to be captured from the integration of BP Greece and EKO
- Total value of transaction is €359m, including the assumption of €40m of net debt and other liabilities
  - The transaction is expected to close in 4Q09, so limited impact on FY09 results
  - Funding is secured through an acquisition loan from relationship banks

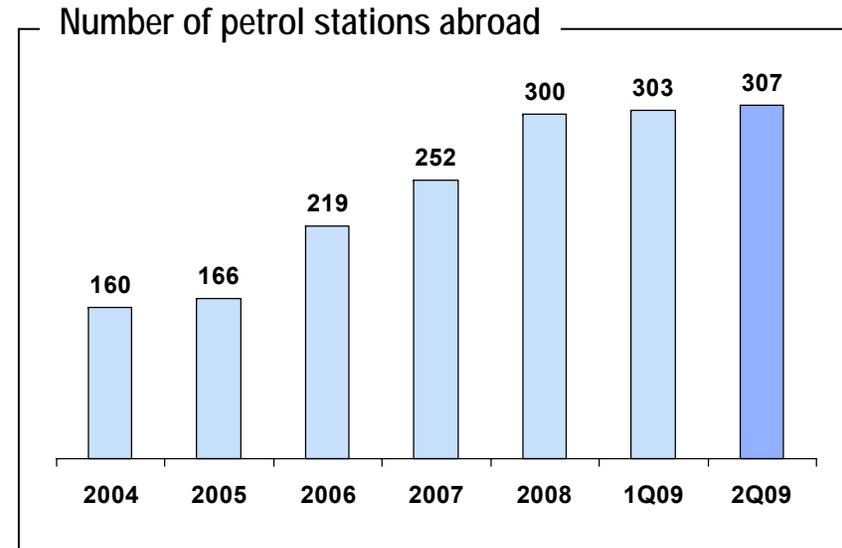
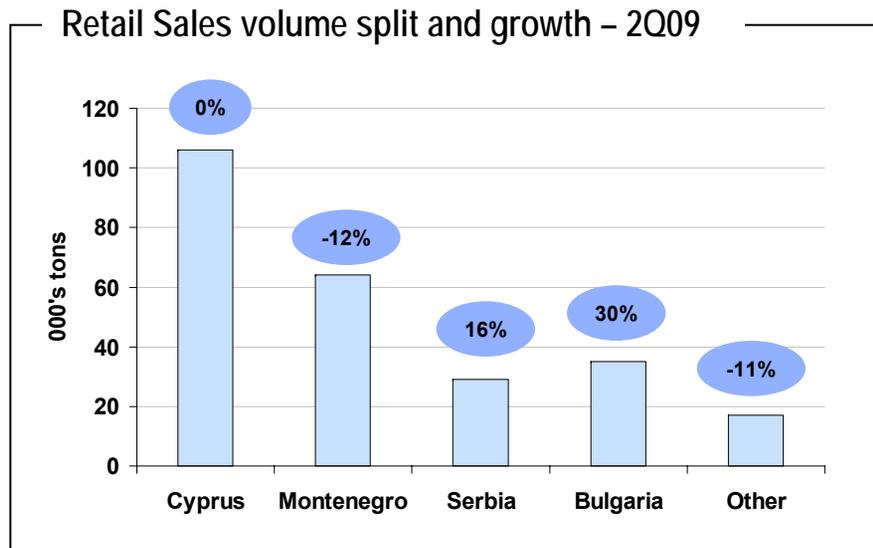


Key pro-forma data — 2008 \*

Market share	14%
ATPs – Total network (m <sup>3</sup> /day)	3.5
ATPs – Company-controlled petrol stations (m <sup>3</sup> /day)	5.0
Volume sales (kt)	1,800
EBITDA (€m)	>50m

\* Adjusted for the assets that are not part of the deal and for non-operating items

## INTERNATIONAL MARKETING: Flat profitability y-o-y, despite weakening demand



- 2Q sales volume up 1% y-o-y due to an increased footprint, as the number of retail stations increased to 307, vs 274 in 2Q08
- Adjusted EBITDA flat y-o-y at €12m (1Q09: €6m), despite slowing economies and adverse FX moves
  - Reported results include a €9m VERS-related provision at JPK (Yugopetrol) in Montenegro:
    - 230 employees (c40% of total) participating
    - annual savings estimated at c€3m pa
- ATP decreased 3% on a y-o-y basis
- Capex readjusted to reflect markets' slowdown
- Continued tight and effective management of credit and FX risks

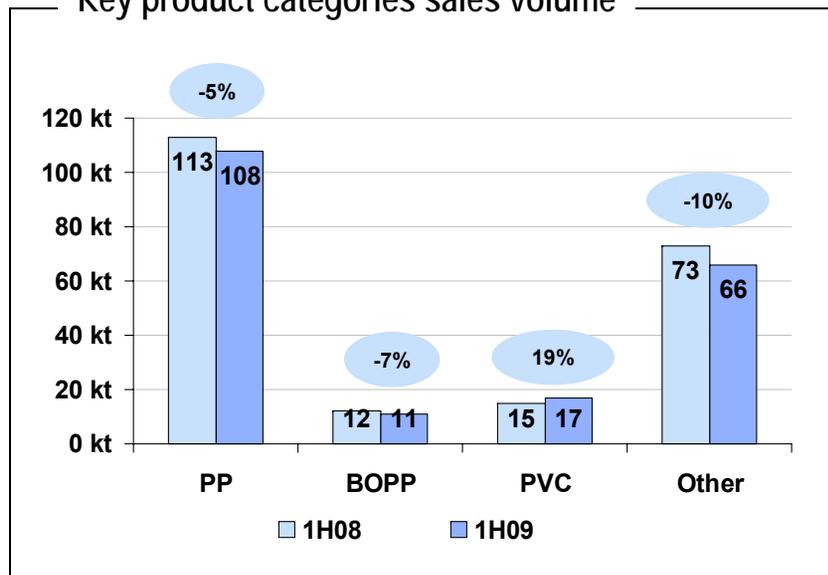
## BUSINESS UNITS PERFORMANCE



- *Refining, Supply & Trading*
- *Marketing*
- ***Petrochemicals***
- *Power & Gas*
- *E&P*

## PETROCHEMICALS: Improving performance due to pick-up in margins

Key product categories sales volume



Key financials

			IFRS FINANCIAL STATEMENTS € MILLION		
2008	2Q 2009	Δ%	2008 (*)	H1 2009	Δ%
<b>KEY FINANCIALS</b>					
108	107	-1%	214	203	-5%
102	70	-32%	205	132	-35%
7	10	47%	20	9	-54%
2	6	-	11	1	-95%
0	0	-66%	0	0	-
<b>INTERNATIONAL PROFIT MARGINS (€/MT)</b>					
266	309	16%	284	287	1%
145	175	21%	138	164	19%

- Recovery in global industry since March
- Total volumes down 1% y-o-y in 2Q09, however increased by 10% over 1Q09 levels
- 2Q09 average polypropylene margin up 16% y-o-y and 17% vs 1Q09
- 2Q09 EBITDA at €10m, compared to -€1m in 1Q09 and -€11m in 4Q08

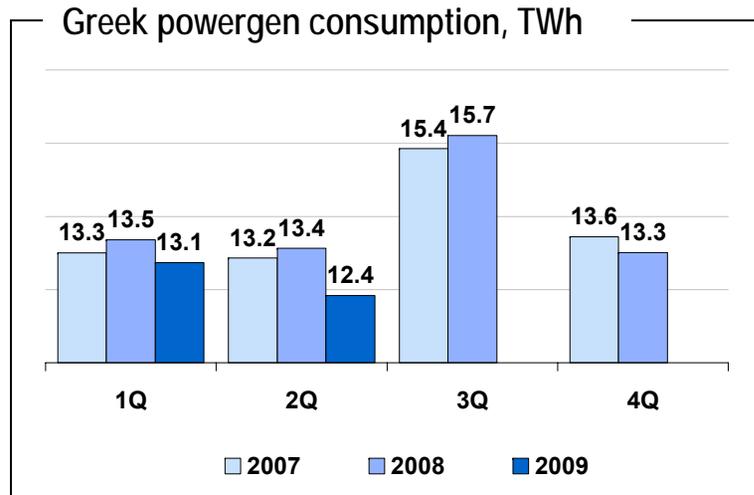
## BUSINESS UNITS PERFORMANCE

- *Refining*
- *Marketing*
- *Petrochemicals*

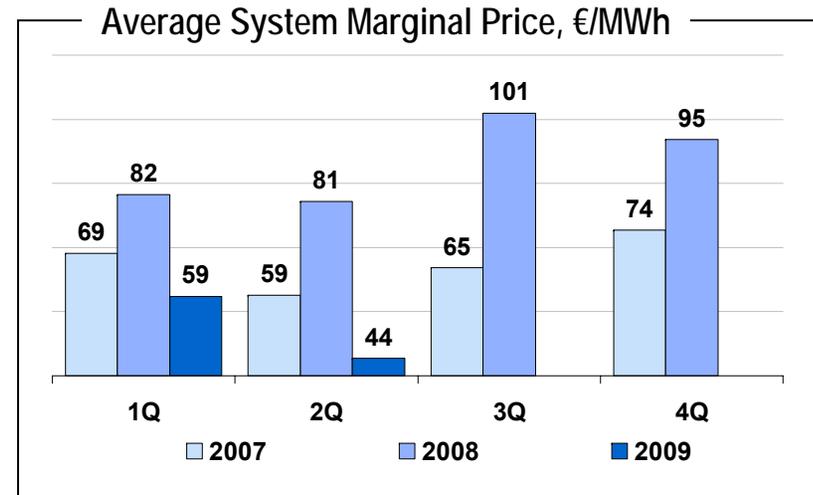


- ***Power & Gas (associated companies)***
- *E&P*

## POWER GENERATION: 50% stake in Elpedison



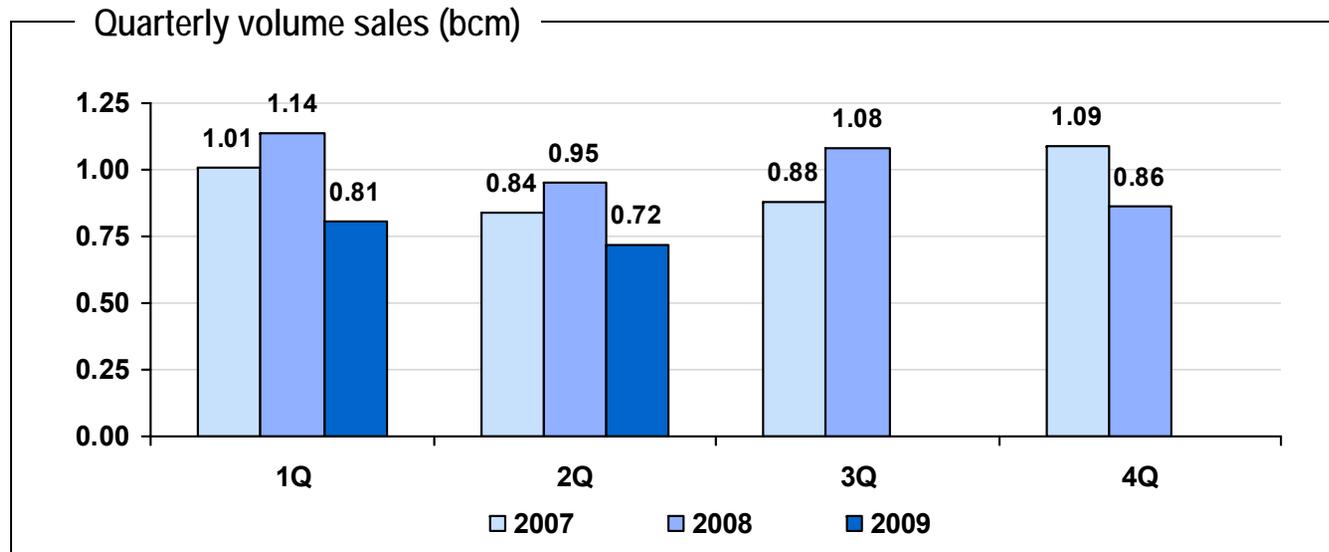
Source: HTSO



Source: HTSO

- Power consumption in Greece declined by 7.3% y-o-y in 2Q09 (and by 5.4% in 1H), primarily due to lower industrial consumption
- Average SMP fell 45% over 2Q08 (and 37% over 1H08), given weakening demand and increased hydro in Greece's total power mix
- No contribution from Elpedison, due to the shut-down (mechanical problem) of T-Power unit;
  - T-Power is expected to come back on-stream in September
  - Fully insured against the mechanical failure and business interruption
- Construction of the 420MW CCGT plant in Thisvi proceeding as planned: start-up expected in 2H10

## GAS: 35% stake in DEPA



- 35%-owned DEPA is consolidated via the 'equity method'. DEPA is carried at a book value of €430m
- Demand for natural gas in Greece in 2Q fell by almost 25% y-o-y to 0.7bcm, due to reduced consumption from CCGT plants and the slowdown in industrial production
- DEPA's contribution to Group Net Earnings declined 86% y-o-y to €2m, adversely impacted by the drop in volume sales and margins

## BUSINESS UNITS PERFORMANCE

- *Refining*
- *Marketing*
- *Petrochemicals*
- *Power & Gas*

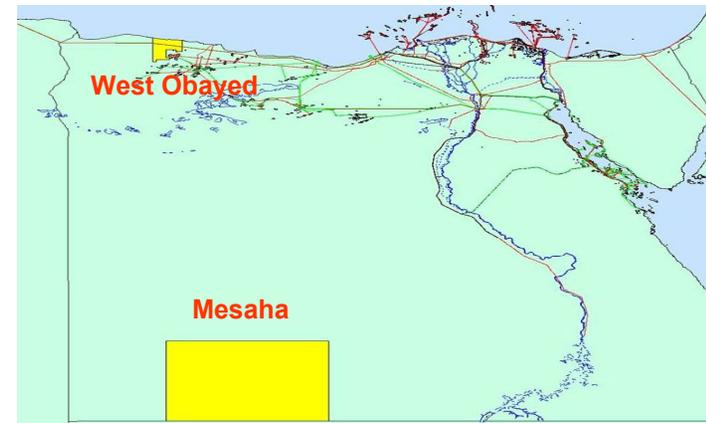


- ***E&P***

## E&P

- In the W. Obayed area in Egypt, ELPE as operator, has completed the interpretation of recently acquired 3D seismic data integrating them with the existing 3D covering in total 90% of the block.
- Following ranking of a significant number of identified prospects, the locations of the first three wells have been determined and approved by EGPC
- The company is currently testing the prospectivity of the block, drilling its first exploration well (Pharos 1), spud on 19 August
- In the Mesaha block, the desk G&G studies are ongoing, as scheduled by the JV (Melrose 40%, KEC 30%, ELPE 30%)

### HEP presence in Egypt



# AGENDA

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- Q&A



## 2Q/1H09 FINANCIAL RESULTS

### KEY FINANCIALS

2008 (*)	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%	H1 2008 Reported
<b><u>REPORTED INCOME STATEMENT</u></b>							
2,624	<b>1,567</b>	-40%	NET SALES	5,114	<b>3,161</b>	-38%	5,207
211	<b>159</b>	-25%	EBITDA	335	<b>251</b>	-25%	362
181	<b>145</b>	-20%	EARNINGS BEFORE TAX	309	<b>193</b>	-37%	325
129	<b>106</b>	-18%	NET INCOME	221	<b>141</b>	-37%	227
<b><u>ADJUSTED RESULTS (**)</u></b>							
119	<b>101</b>	-16%	ADJUSTED EBITDA	173	<b>215</b>	24%	200
60	<b>63</b>	4%	ADJUSTED NET INCOME	107	<b>114</b>	6%	113
<b><u>BALANCE SHEET/ CASHFLOW</u></b>							
-	-	-	CAPITAL EMPLOYED	3,813	<b>3,117</b>	-18%	3,971
70	<b>160</b>	-	CAPITAL EXPENDITURE	105	<b>202</b>	93%	105
-305	<b>271</b>	-	FREE CASHFLOW	-334	<b>66</b>	-	-310
-422	<b>263</b>	-	NET CASHFLOW	-277	<b>51</b>	-	-435
-	-	-	NET DEBT	1,254	<b>628</b>	-50%	1,412

(\*) 2008 results have been restated for the equity consolidation of Elpedison, the 50/50 JV with Italy's Edison: T-Power's results have been treated as income from associates, rather than being fully consolidated

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

## 2Q/1H09 FINANCIAL RESULTS

### KEY FINANCIAL RATIOS

2008 (*)	2Q 2009	Δ%	IFRS FINANCIAL STATEMENTS € MILLION	2008 (*)	H1 2009	Δ%	H1 2008 Reported
<b>KEY RATIOS</b>							
0.42	<b>0.35</b>	-18%	NET EARNINGS PER SHARE (€ / SHARE)	0.72	<b>0.46</b>	-37%	0.74
0.20	<b>0.21</b>	4%	ADJUSTED EPS (€ / SHARE)**	0.35	<b>0.37</b>	6%	0.37
-	-	-	ROACE % - LAST 12M	12%	<b>2%</b>	-	12%
-	-	-	ROE % - LAST 12M	16%	<b>-2%</b>	-	16%
-	-	-	DEBT / (DEBT + EQUITY) RATIO	33%	<b>20%</b>	-	37%
33%	<b>101%</b>	-	CAPEX AS % OF EBITDA	31%	<b>81%</b>	-	29%

(\*) 2008 results have been restated for the equity consolidation of Elpedison, the 50/50 JV with Italy's Edison: T-Power's results have been treated as income from associates, rather than being fully consolidated

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

## 2Q/1H09 FINANCIAL RESULTS

### GROUP PROFIT & LOSS ACCOUNT

2008	2Q 2009	Δ %	IFRS FINANCIAL STATEMENTS € MILLION	2008	1H 2009	Δ %
2,662	1,567	(41%)	Sales	5,207	3,161	(39%)
(2,327)	(1,309)	44%	Cost of sales	(4,688)	(2,755)	41%
<b>335</b>	<b>258</b>	<b>(23%)</b>	<b>Gross profit</b>	<b>520</b>	<b>406</b>	<b>(22%)</b>
(100)	(98)	1%	Selling, distribution and administrative expenses	(193)	(199)	(3%)
(8)	(2)	81%	Exploration expenses	(14)	(3)	79%
(41)	(30)	26%	Other operating (expenses) / income - net	(19)	(13)	34%
<b>187</b>	<b>128</b>	<b>(31%)</b>	<b>Operating profit</b>	<b>294</b>	<b>191</b>	<b>(35%)</b>
(11)	(8)	29%	Finance costs - net	(20)	(14)	27%
(4)	23	-	Currency exchange gains /(losses)	19	3	(82%)
12	2	(86%)	Share of operating profit of associates	30	13	(55%)
<b>185</b>	<b>145</b>	<b>(21%)</b>	<b>Profit before income tax</b>	<b>323</b>	<b>193</b>	<b>(40%)</b>
(50)	(38)	23%	Income tax expense	(82)	(52)	37%
<b>135</b>	<b>107</b>	<b>(21%)</b>	<b>Profit for the period</b>	<b>241</b>	<b>142</b>	<b>(41%)</b>
(4)	(0)	91%	Minority Interest	(14)	(1)	90%
<b>131</b>	<b>106</b>	<b>(19%)</b>	<b>Net Income</b>	<b>227</b>	<b>141</b>	<b>(38%)</b>
<b>0.42</b>	<b>0.35</b>	<b>(18%)</b>	<b>Basic and diluted EPS (in €)</b>	<b>0.72</b>	<b>0.46</b>	<b>(37%)</b>
<b>211</b>	<b>159</b>	<b>(25%)</b>	<b>EBITDA</b>	<b>335</b>	<b>251</b>	<b>(25%)</b>

## 2Q/1H09 FINANCIAL RESULTS

### GROUP BALANCE SHEET

IFRS FINANCIAL STATEMENTS € MILLION	FY 2008	H1 2009
<b>Non-current assets</b>		
Tangible and Intangible assets	1,569	1,705
Investments in affiliated companies	508	512
Other non-current assets	242	214
	<b>2,319</b>	<b>2,431</b>
<b>Current assets</b>		
Inventories	1,021	1,165
Trade and other receivables	930	871
Cash and cash equivalents	876	996
	<b>2,827</b>	<b>3,032</b>
<b>Total assets</b>	<b>5,146</b>	<b>5,463</b>
Shareholders equity	2,325	2,338
Minority interest	149	150
<b>Total equity</b>	<b>2,474</b>	<b>2,488</b>
<b>Non- current liabilities</b>		
Borrowings	448	419
Other non-current liabilities	300	279
	<b>748</b>	<b>698</b>
<b>Current liabilities</b>		
Trade and other payables	791	968
Borrowings	1,110	1,208
Other current liabilities	23	100
	<b>1,924</b>	<b>2,277</b>
<b>Total liabilities</b>	<b>2,672</b>	<b>2,974</b>
<b>Total equity and liabilities</b>	<b>5,146</b>	<b>5,463</b>

## 2Q/1H09 FINANCIAL RESULTS

### GROUP CASH FLOW

IFRS FINANCIAL STATEMENTS € MILLION	1H	
	2008	2009
<b>Cash flows from operating activities</b>		
Cash generated from operations	(193)	263
Income tax paid	(43)	(2)
<b>Net cash (used in) / generated from operating activities</b>	<b>(238)</b>	<b>262</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & intangible assets	(105)	(202)
Sale of property, plant and equipment & intangible assets	1	0
Grants received	1	1
Interest received	11	15
Investments in associates	-	(1)
Dividends received	-	1
Proceeds from disposal of available for sale financial assets	1	-
<b>Net cash used in investing activities</b>	<b>(92)</b>	<b>(186)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(31)	(29)
Dividends paid	(107)	(1)
Proceeds from borrowings	1,017	1,123
Repayment of borrowings	(498)	(1,046)
<b>Net cash generated from / (used in ) financing activities</b>	<b>381</b>	<b>47</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>52</b>	<b>123</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>208</b>	<b>877</b>
Exchange losses on cash & cash equivalents	(1)	(4)
Net increase/(decrease) in cash & cash equivalents	52	123
<b>Cash &amp; cash equivalents at end of the period</b>	<b>260</b>	<b>995</b>

## 2Q/1H09 FINANCIAL RESULTS

### SEGMENTAL ANALYSIS

2Q 2009				€ M	1H 2009			
NET SALES	EBITDA	EBIT	CAPEX		NET SALES	EBITDA	EBIT	CAPEX
1,447	136	118	121	REFINING, SUPPLY & TRADING	2,975	218	184	157
551	18	10	38	MARKETING	1,049	32	15	45
70	10	6	0	PETROCHEMICALS	132	9	1	0
0	0	-12	0	GAS & POWER	0	0	0	0
5	-4	-4	0	OTHERS (incl. E&P)	11	-6	-7	0
-506	-2	-2	0	INTERSEGMENT	-1,007	-3	-3	0
<b>1,567</b>	<b>159</b>	<b>116</b>	<b>160</b>	<b>TOTAL</b>	<b>3,161</b>	<b>251</b>	<b>191</b>	<b>202</b>

2Q 2009				% CONTRIBUTION PER BUSINESS SEGMENT	1H 2009			
NET SALES	EBITDA	EBIT	CAPEX		NET SALES	EBITDA	EBIT	CAPEX
92%	86%	102%	76%	REFINING, SUPPLY & TRADING	94%	87%	97%	78%
35%	11%	9%	24%	MARKETING	33%	13%	8%	22%
4%	6%	5%	0%	PETROCHEMICALS	4%	4%	0%	0%
0%	0%	-11%	0%	GAS & POWER	0%	0%	0%	0%
0%	-2%	-3%	0%	OTHERS (incl. E&P)	0%	-2%	-3%	0%
-32%	-1%	-1%	0%	INTERSEGMENT	-32%	-1%	-1%	0%
<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# AGENDA

- 2Q 2009 Results Highlights
- Business Unit Performance
- Financial Results
- **Q&A**

