

## **Hellenic Petroleum Group**

### **E&P Strategy for Growth is focusing in Greece**

**A presentation prepared  
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June 2015**

## **Hellenic Petroleum Group**

## **Hellenic E&P activities in Greece and its international expansion**

## **Patraikos Lease Agreement**

## **Ongoing licensing rounds in Greece**

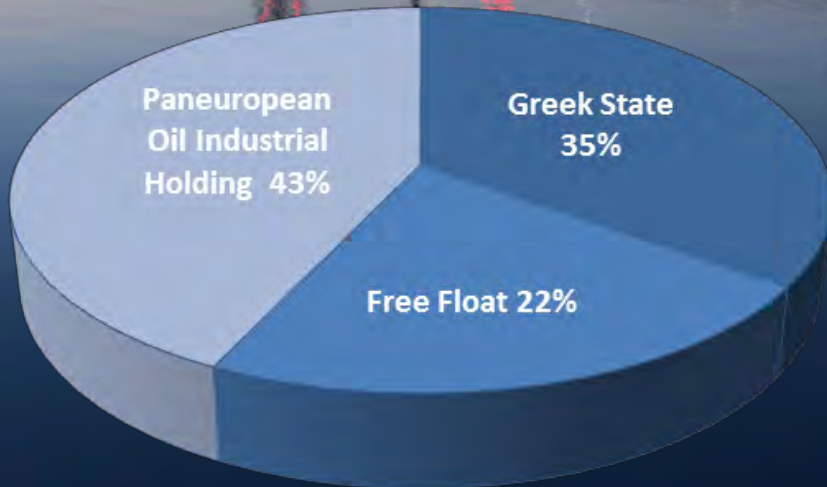




**HELLENIC  
PETROLEUM**

An integrated diversified regional energy group, with leading position in Greece and greater area of SE Europe

listed in Athens Stock Exchange adopting strict **Code of Ethics** and **Corporate Governance** criteria





# Solid performance on the back of recent investments and continuous improvement initiatives



High qualified personnel  
**3500 in 7 countries**

2014 revenues  
**€10 Billion**  
2014 EBITDA  
**€417 million**

Investment 2009-2013  
**€3 billion**

Annual Social product worth  
**€ 500 million**



# HSSE is always our top corporate priority



**Health - Υγιεινή**



**Safety – Ασφάλεια**



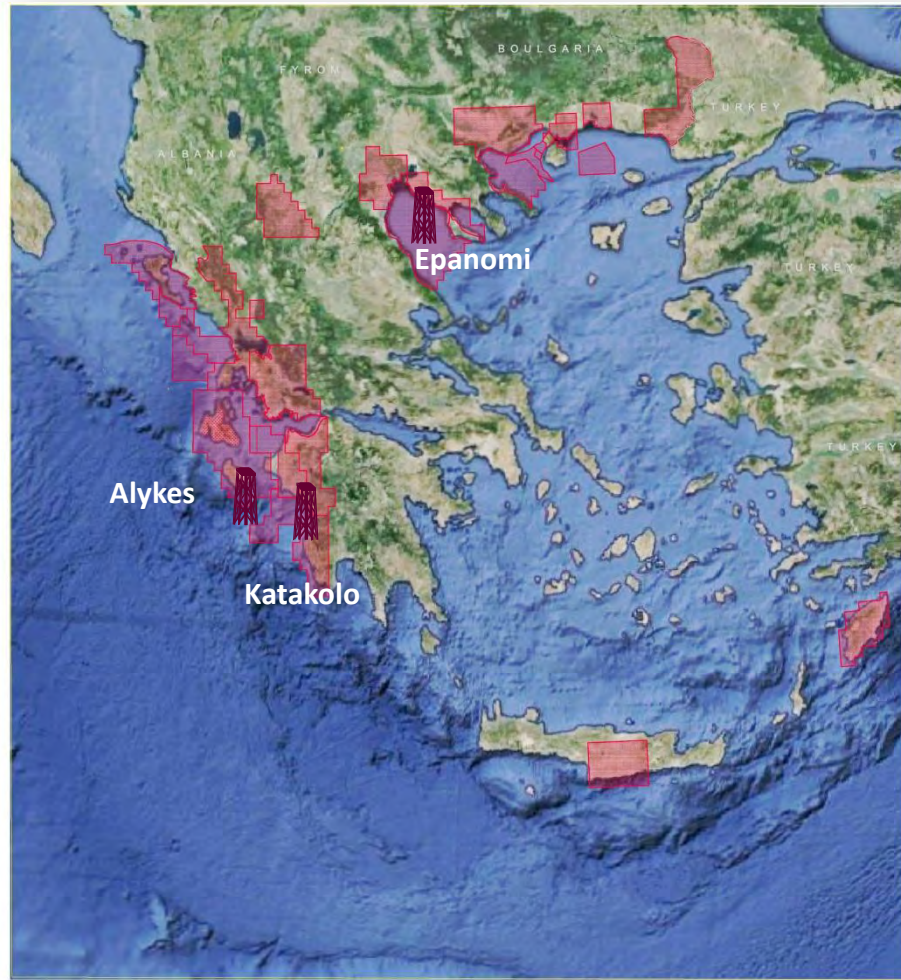
**Society – Κοινωνία**



**Environment - Περιβάλλον**



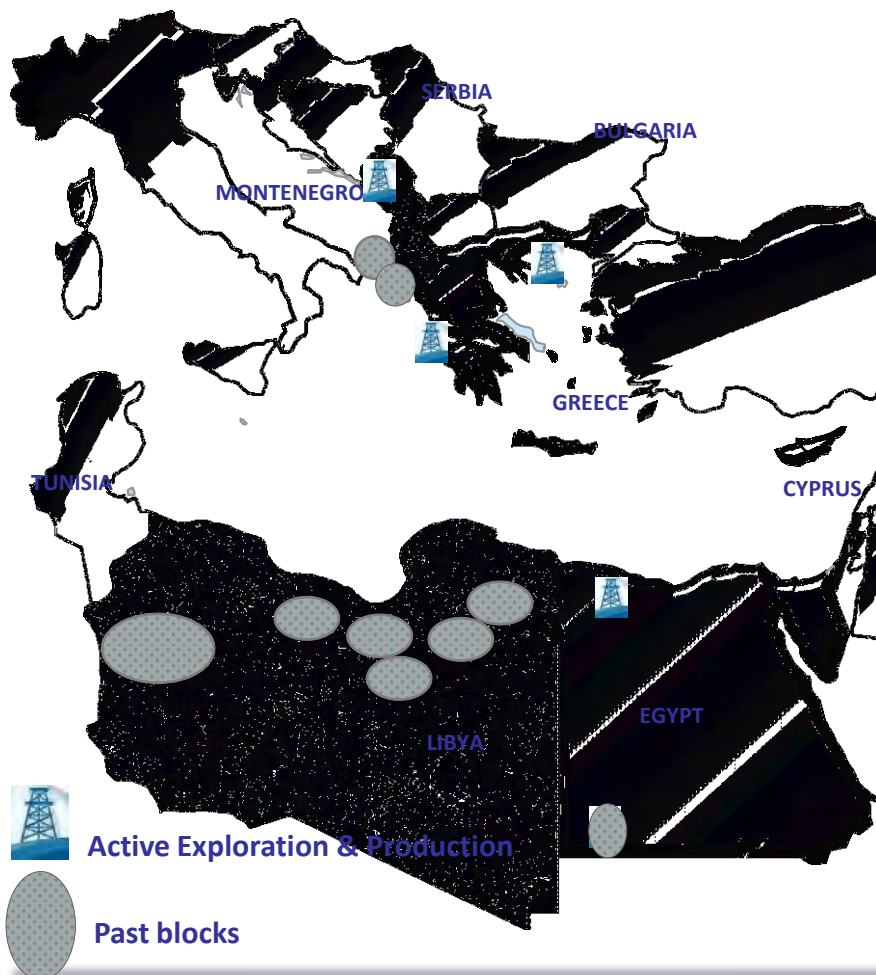
# 1975 – 2005 Hellenic Petroleum (DEP / DEP EKY) explored the country



- The Greek State granted to the state company DEP exclusive E&P rights in **26 oil promising blocks** (renamed to DEP-EKY at 1987 – then 1998 Hellenic Petroleum)
- DEP and DEP-EKY, acting as **operator** with its own experienced personnel, explored the country acquiring **63.000 km seismic data** (12.000 km with its own seismic crews)
- All G&G data processed and interpreted in house
- **75 wells were drilled**
- Offshore areas in deep waters (>500m) and deep structures remained unexplored.

**Oil system proved** Prinos oil & S. Kavala fields (1975, offshore N. Greece, Oceanic))  
 Katakolo oil field (1981, offshore W. Greece, DEP)  
 Epanomi gas field (1989, onshore N. Greece, DEP)  
 Alykes heavy oil field (1990, onshore Zante isl. W. Greece, DEP)

# 2002 – 2015 Hellenic expands its E&P activities in MMEA and SEE



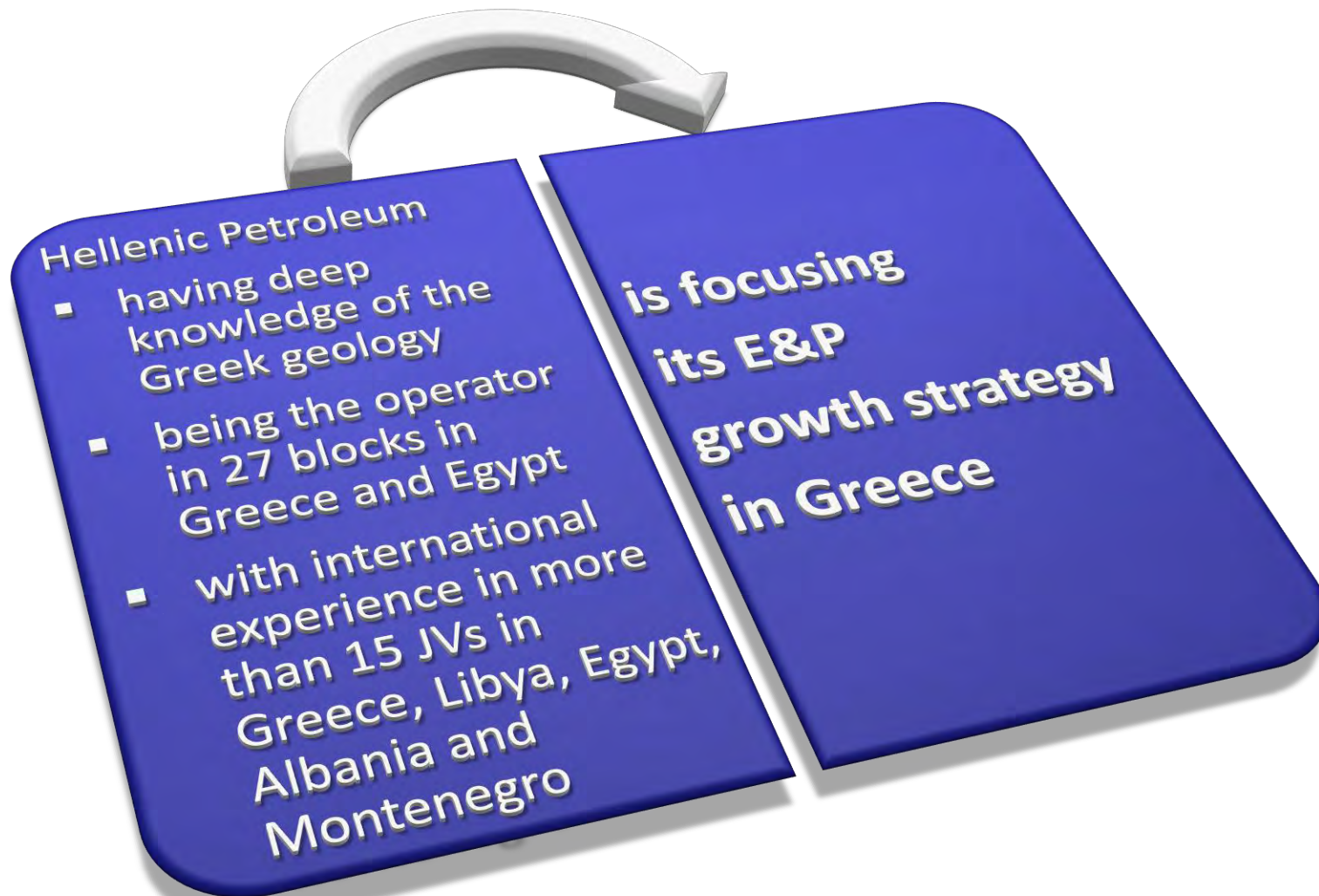
The last six years Hellenic invested more than **\$ 220 millions** in exploration activities **drilling 34 wells** and **discovering in its share more than 80 MMbbls** in JV with international reputable oil companies

- **Albania:** 3 blocks ( 49% in JV with **OMV**)
- **Libya:** 6 blocks (20% in a JV with **Woodside and Repsol**)
- **Egypt:** 2 blocks (W. Obayed 30% with **Vegas** and Mesaha 30% in JV with **Petroceltic, Kuwait Energy and Beach**)
- **Montenegro:** 3 blocks (acquisition of the local state company JPK)
- **Greece:** 25% Sea of Thrace concession

Participated in more than 20 rounds in JVs with GdF, Lukoil, OMV, Repsol, JAPEx, Woodside, Edison, KEC, Oil Search, Melrose, Petroceltic etc. securing acreage in Libya, Egypt, Montenegro

## 2012 onwards: the Greek E&P market is opening

*Hellenic does not hesitate to invest in the country  
adding value contributing to its growth*





## 2012 Open Door round – West Patraikos Lease



- January 2012 the Greek State announced an Open Door process for 3 areas in W. Greece with a bid date 2 July 2012
- The consortium **Hellenic Petroleum** (33.3%, operator), **Edison International** (33.3%) and **Petroceltic Resources** (33.3%) submitted offer for Patraikos block
- The offer declared as the “preferred” and the negotiations for Lease Agreement started October 2013 and completed April 2014
- The tax clauses overrides the Greek regime for the taxation of the JVs and the agreement is ratified by the Parliament to be in force as a Law

**The Lease Agreement is  
ratified by the Greek Parliament with effective date 3 Oct 2014**






A group of established, reputable and financially strong oil companies with vast experience and knowledge in Adriatic and Ionian sea will explore the mother Earth with gratitude and respect investing for the prosperity and development of the local societies





**Our exploration strategy:** **At the end of the exploration period we should know if there is any oil field in the block**

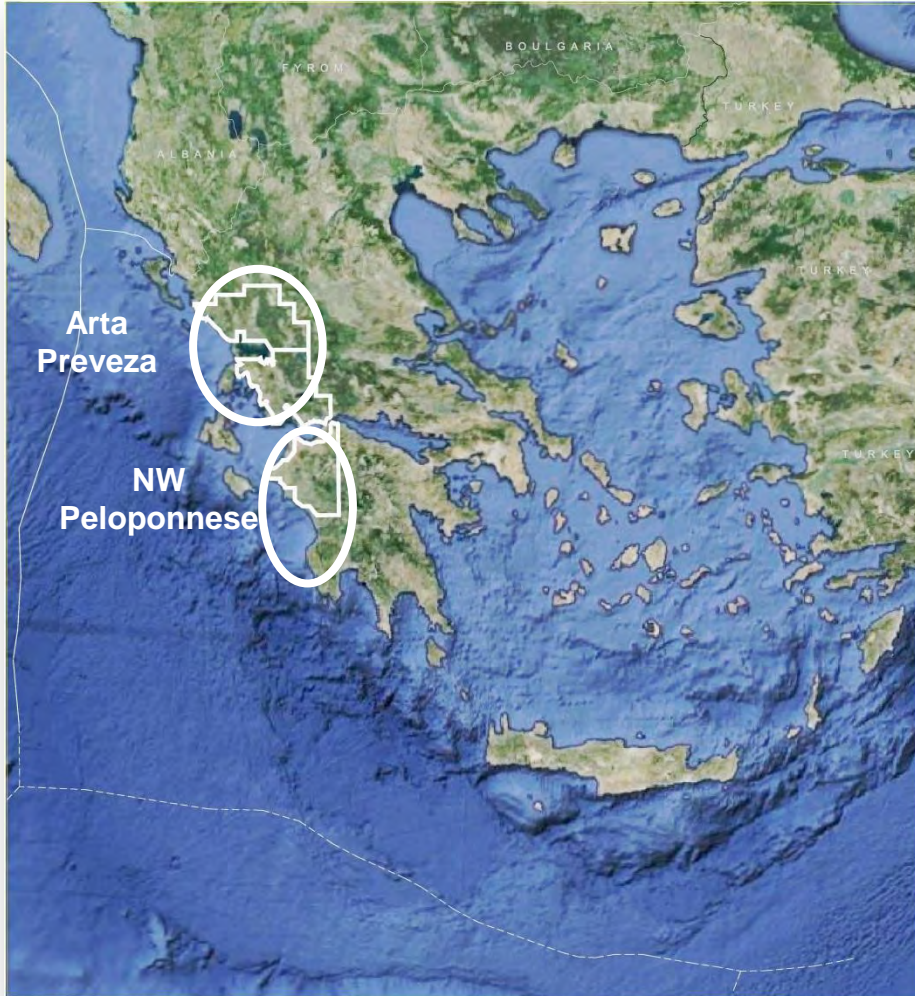
- **Special designed geological studies (2015 – 2017)**
- **High resolution 3D seismic survey 800 sq.km (2015 – 2016)**
- **2-5 exploration wells (2017 – 2018)**



**Implementing  
the most up-to-date,  
safe and environmentally friendly  
technological methods,  
showing the utmost respect  
for local communities and  
their current activities**



# 2014 – 2015 W. Greece – Onshore round

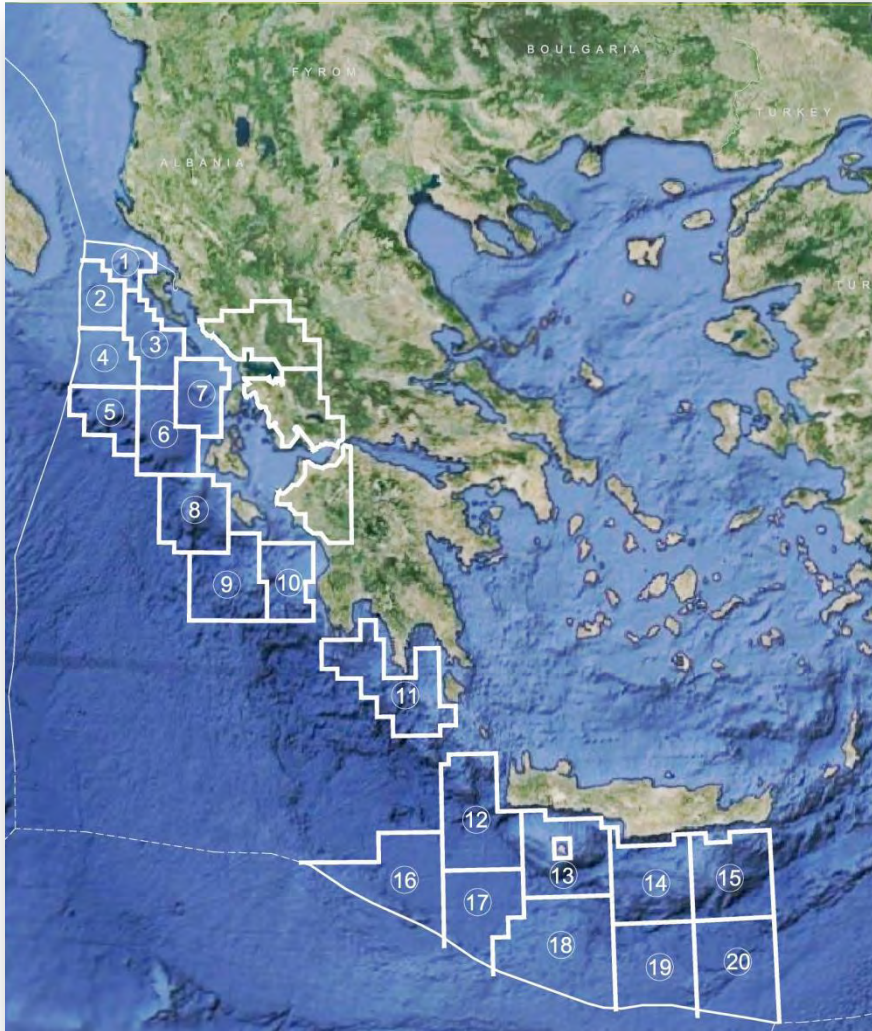


- Hellenic Petroleum S.A. has submitted in an international licensing round (6 February 2015) offers for two onshore areas in western Greece
  - **“Arta-Preveza”** and
  - **“NW Peloponnese”**

The appointed by the Ministry Evaluation Committee is in the process to evaluate the offers

# 2014 – 2015 W. Greece offshore round: interesting opportunities

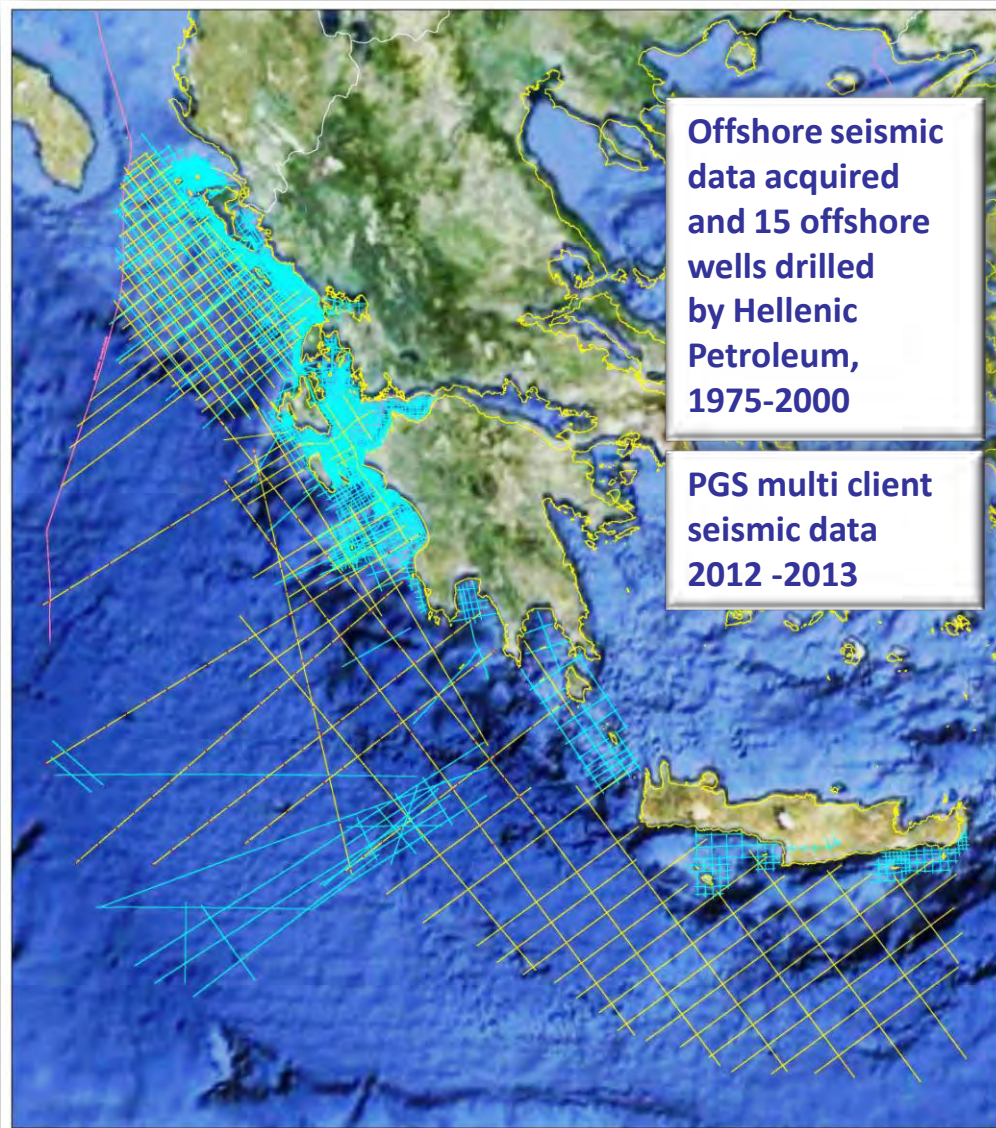
The Greek State has released the Call of tenders under royalty – tax system for 11 blocks offshore and 9 blocks South of Crete



- The application procedure and all relevant information and terms were published in the Official Greek Gazette (Aug 2014) and in the Official Journal of the European Union (Nov 2014)
- **Bid date for the 20 offshore blocks in W. Greece and S. Crete is 14 July 2015**
- PGS 2013 non exclusive seismic and the legacy seismic data are available (obligation to purchase min. 1500 km per block)
- The technical report (by BEICIP) for the offshore blocks is also available



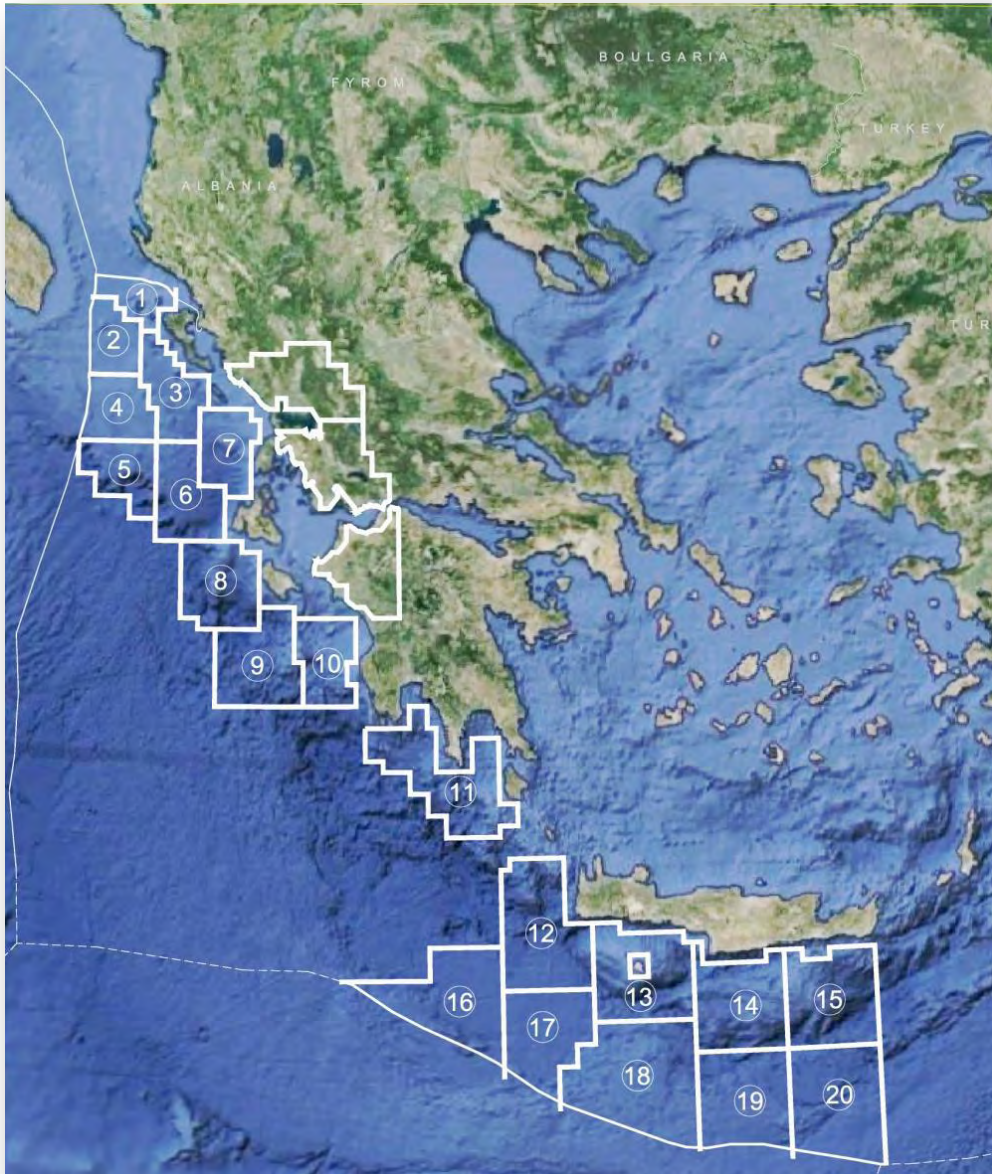
## Hellenic's strong competitive advantages: leading commercial position and deep technical knowledge



- PGS has delivered late January 2014 the final seismic lines; **Hellenic Petroleum purchased the whole data set**
- The combined seismic data in **Ionian sea comprises a dense grid of superior quality data**
- Around the promising deep sea frontier area West and South of **Crete the seismic grid is rather sparse.**
- Currently we are working thoroughly with our partners on these data, using the most sophisticated interpretation tools.
- The **deep technical knowledge** of the areas and our **leading commercial position** are our **strong competitive advantages**



# 2015: Hellenic participates in W. Greece offshore round



Hellenic Petroleum  
is evaluating  
all the available  
exploration data  
in all 20 blocks  
and  
taking into account  
the fiscal and legal  
terms of the tender  
is considering  
to submit  
competitive offers  
in selected blocks  
participating in JVs with  
reputable oil companies

A vertical photograph on the left side of the slide shows an offshore oil rig structure extending into the sea. The rig is a complex of metal towers and platforms, with a prominent derrick. The water is dark blue with whitecaps, and the sky is a pale, hazy blue. The rig is positioned in the lower half of the vertical image, with the sea in the foreground and the sky above.

*Many thanks  
for your attendance*