



**HELLENIC
PETROLEUM**



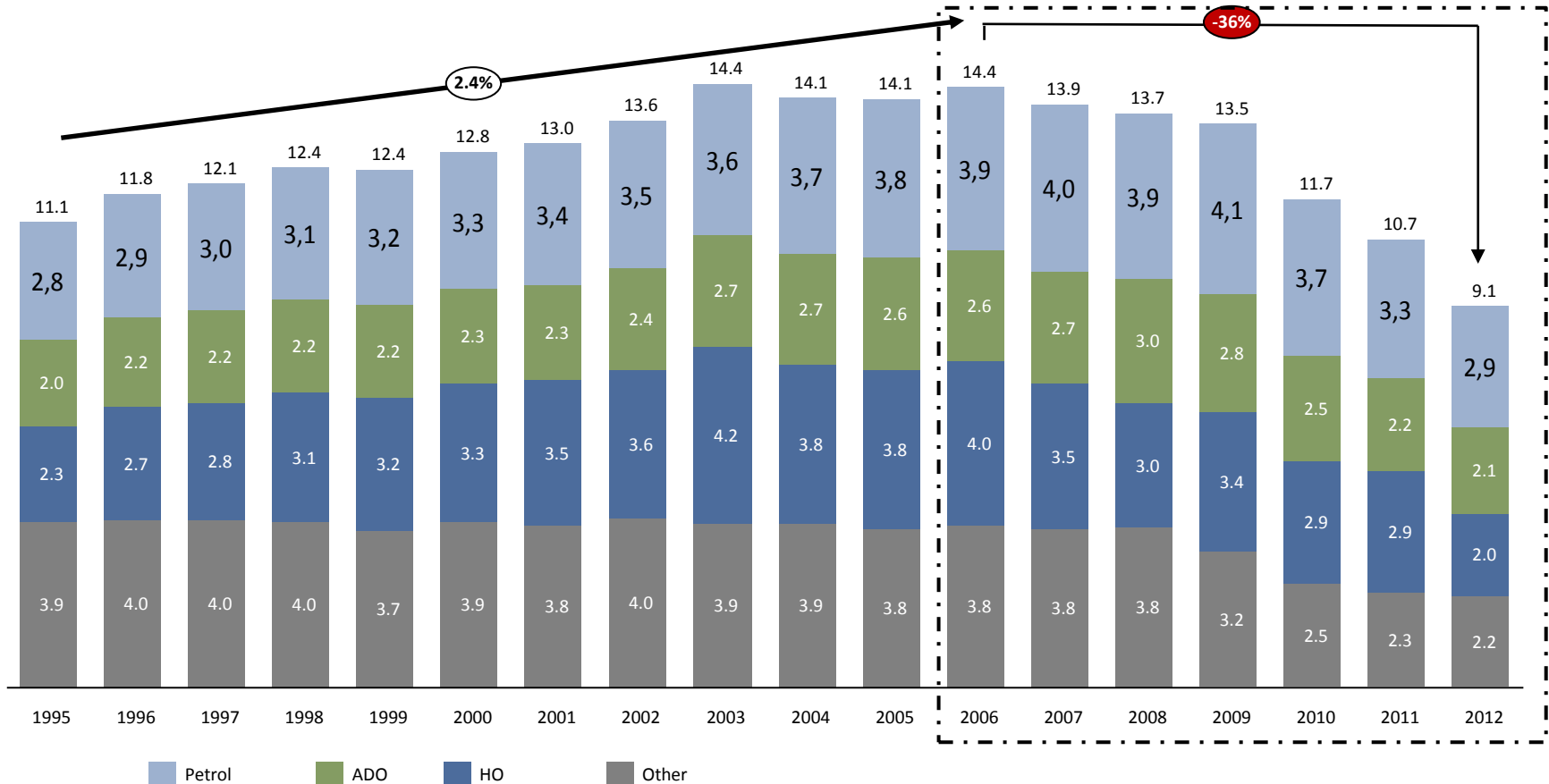
7th South East Europe Dialogue

Thessaloniki, 19-20 June 2013



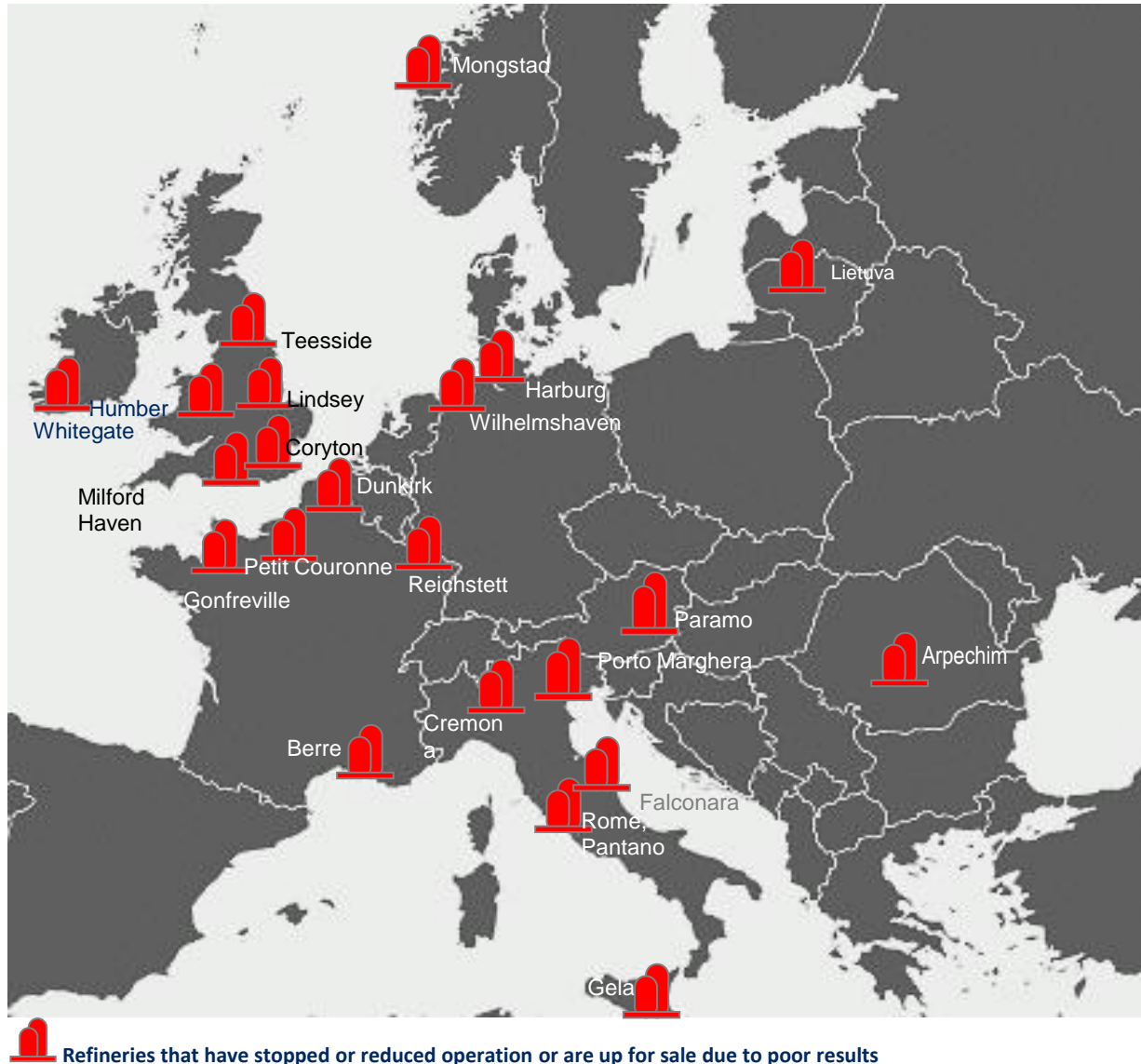
Market Environment: Greece

Fuels consumption evolution (MMT) – Domestic market



- Total domestic fuels consumption has declined by 36% since its peak in 2006 and has returned to the levels of 1990

Market Environment: Europe

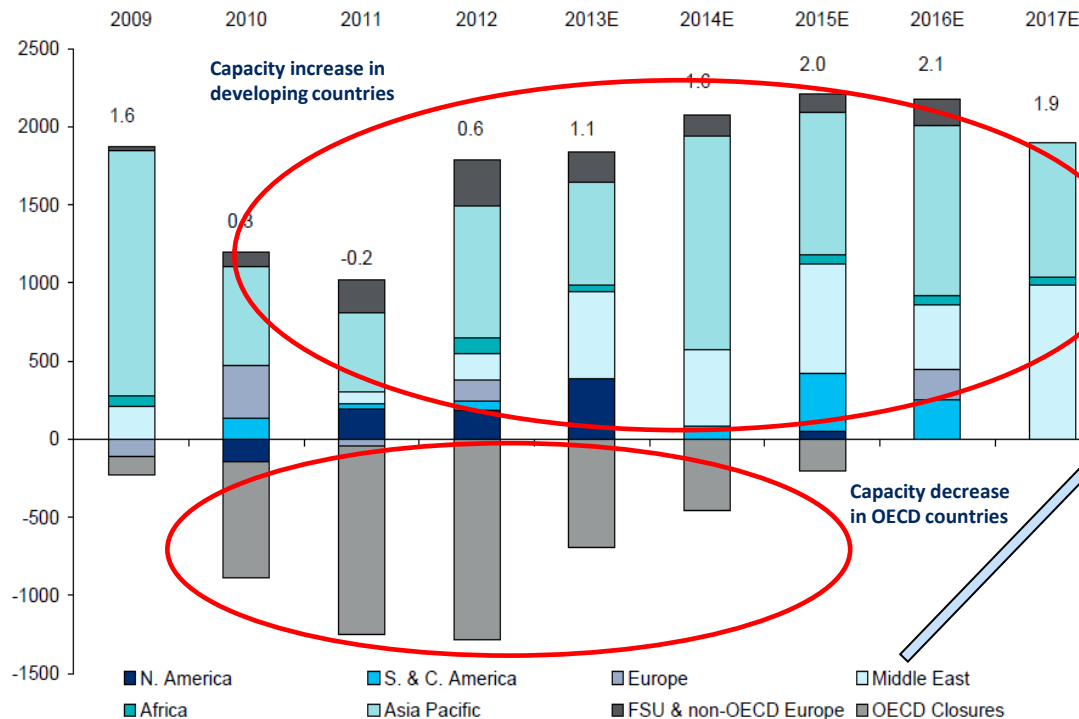


- Many refineries in Europe are closing down, sold or used as storage hubs due to oversupply, reduced demand and poor margins
- This trend seems to be continued in the medium term
- The situation is similar in North America, Japan and Australia, where units are closing down

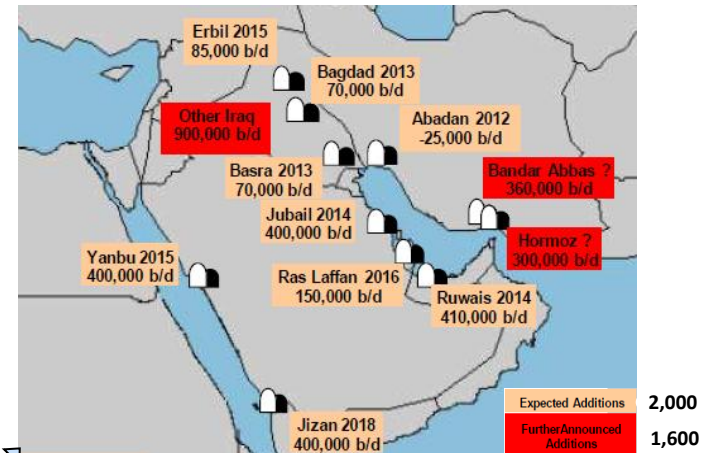
Market Environment: The World

- The situation is aggravated by the opening of new complex units in developing countries ...

Evolution of global refining capacity (kbpd)



Some refining projects in the Middle East (kbpd)



Estimated increase in capacity from upgrading projects in Russia (kbpd)

	2012	2013	2014	2015-2020	Total
Rosneft	130	352	48	56	586
Tatneft	194	-	-	-	194
Gazprom	-	-	126	22	148
Lukoil	40	42	-	30	112
Others	-	18	30	128	176
Total	364	412	204	236	1,216

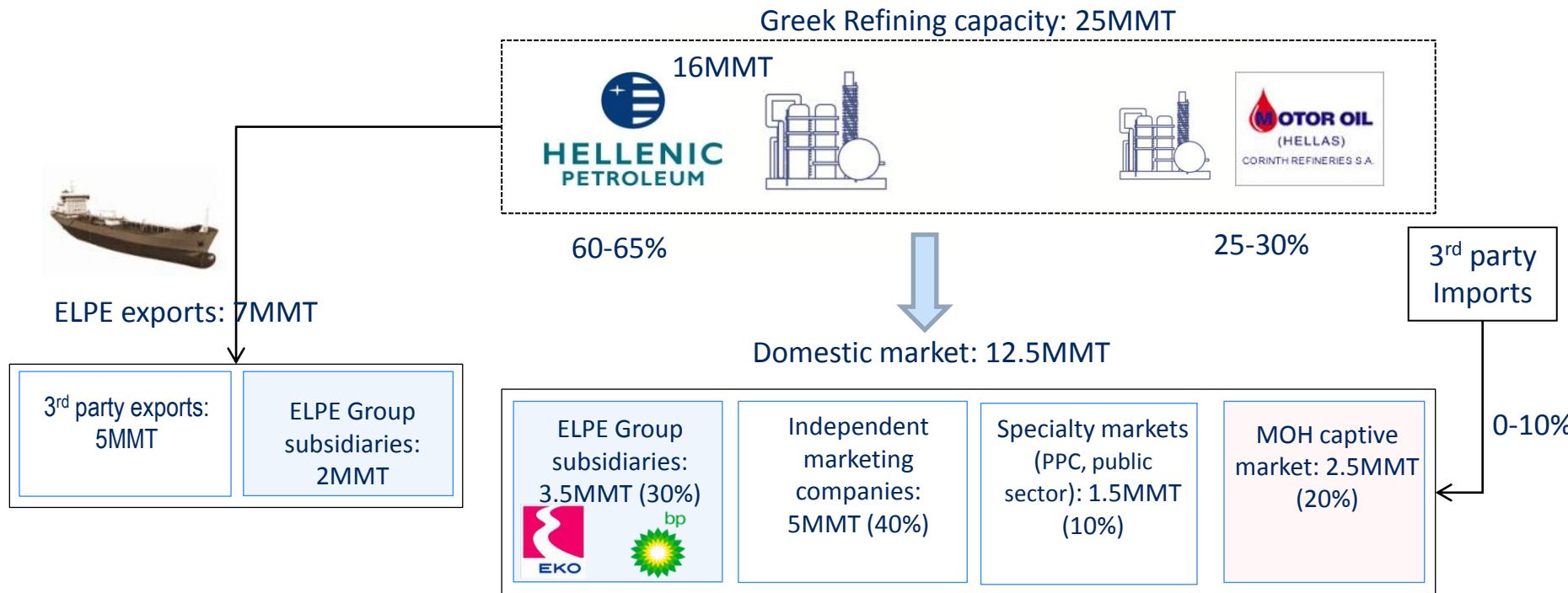
- ... a significant part of which will affect our region

Market Environment: The New Business Model

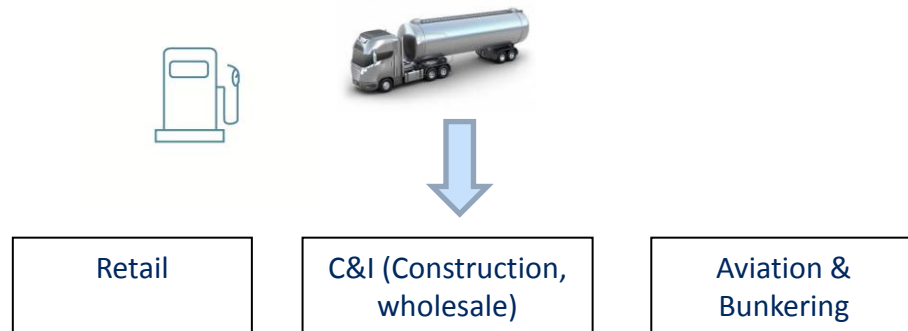
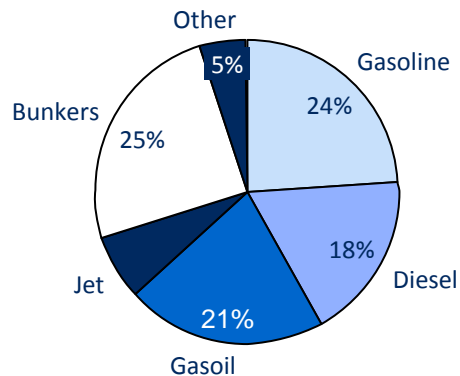
- These developments dictate the new business model in the European refining sector:
 - High complexity of plants
 - Competitive operating costs
 - Extraversion / integration
 - Healthy cash flows

ONLY THE FITTEST WILL SURVIVE!

Greek Petroleum Market Overview



Greek market product breakdown



HELLENIC PETROLEUM Corporate Identity

Our Vision

To be a leading regional Energy Group with sustainable growth embedded in our strategy

Our Mission

“Energy for Life”

To produce and offer top quality products and services in the energy sector, serving our customers in the Greek and international markets with efficiency and innovation

Our Principles

1. Safety is always our first priority
2. We offer Value to our Customers
3. We operate Responsibly towards Society and the Environment
4. We respect our Colleagues and Partners promoting Meritocracy, Teamwork, Innovation, Continuous Improvement and Results Orientation
5. We invest for Sustainable Development
6. We continuously enhance Competitiveness
7. We apply high standards of Corporate Governance
8. We create value for our Shareholders and focus on the continuous improvement of our Results and Cash Flows

Our Attributes

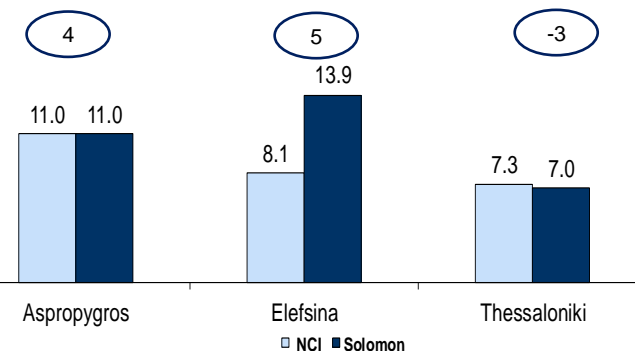
Integrity, Professionalism, Commitment, Judgment, Initiative, Extraversion

HELLENIC PETROLEUM At A Glance



- Coastal location of refineries ensures wide crude oil sourcing options
- Cost advantaged to supply SEE/East Med markets with end-products
- Opportunities for regional consolidation and synergies on logistics footprint

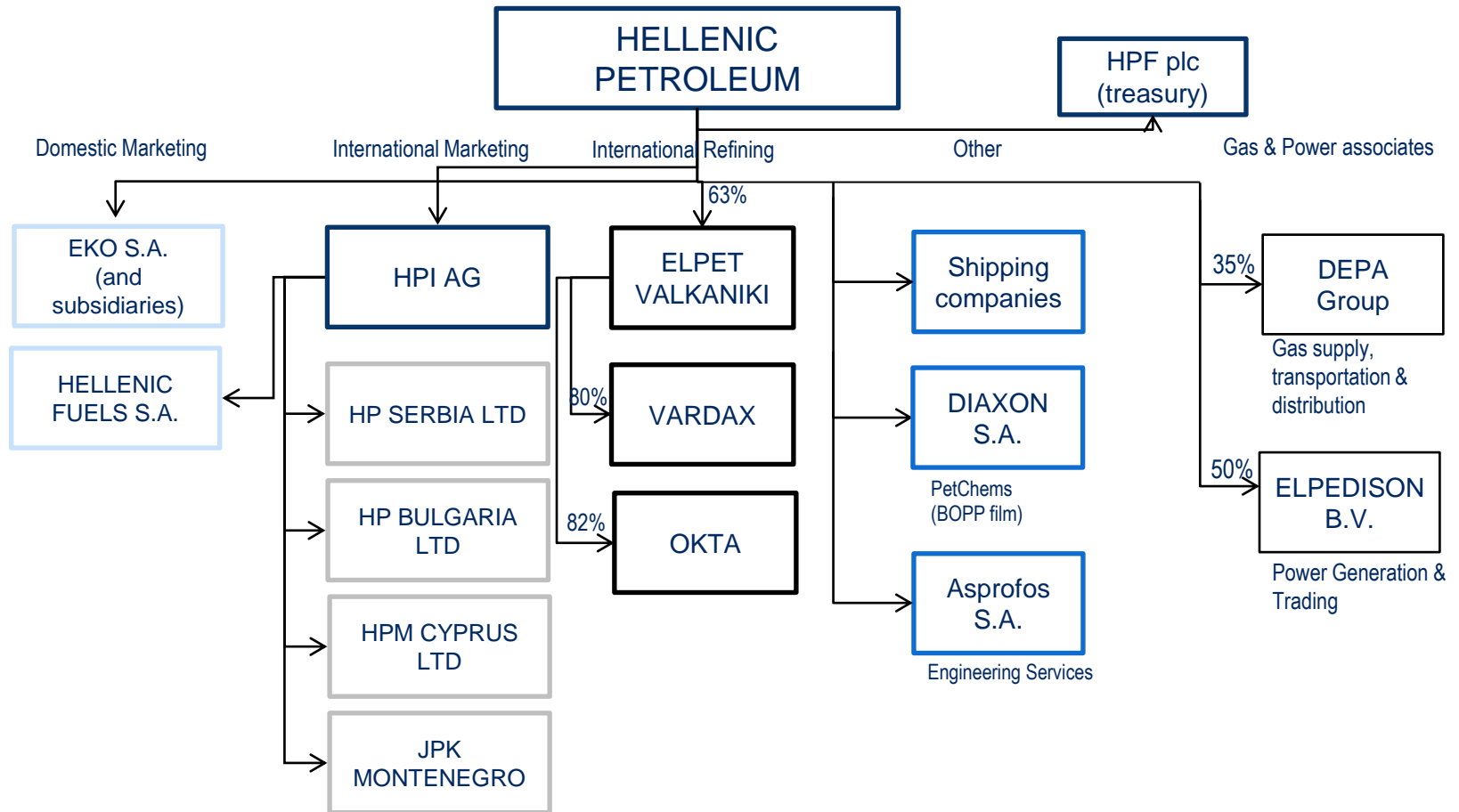
Nelson/Solomon complexity – benchmark margins (\$/bbl, average 2011-12)



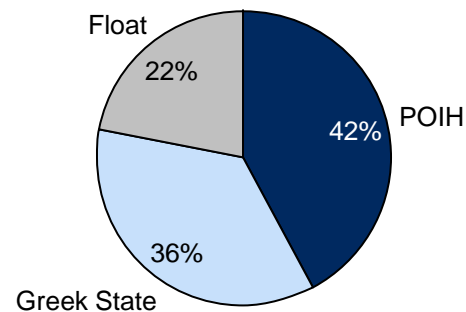
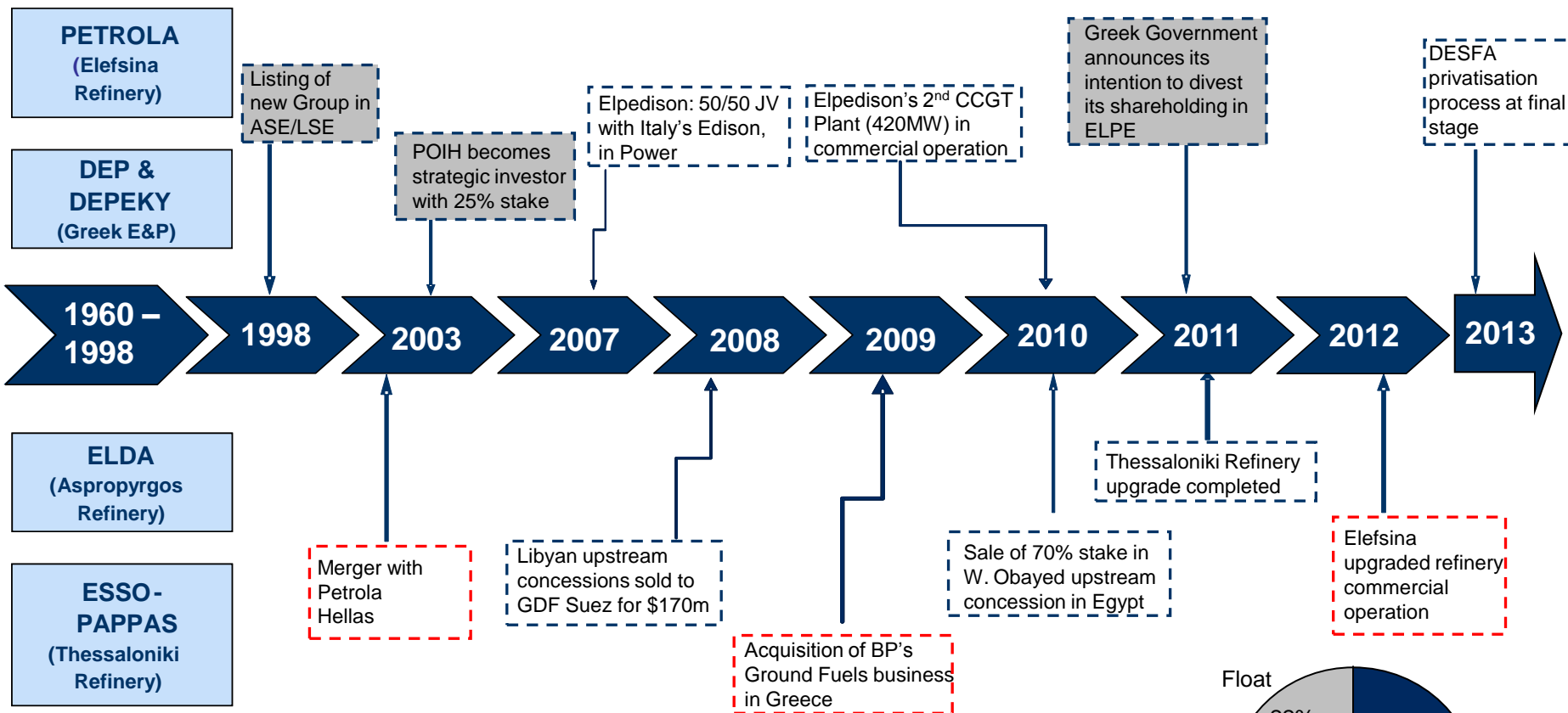
HELLENIC PETROLEUM Value Chain

		DESCRIPTION	METRICS
Exploration & Production		<ul style="list-style-type: none"> • Exploration assets in Egypt: West Obayed (30%), Mesaha (30%) 	
Refining, Supply & Trading	 	<ul style="list-style-type: none"> • Recently upgraded refining asset base: <ul style="list-style-type: none"> – Aspropyrgos (FCC, 145kbpd) – Elefsina (HDC, 100kbpd) – Thessaloniki (HS, 95kbpd) • Owner of only refinery in FYROM 	<ul style="list-style-type: none"> • Capacity: 16MMT • NCI: 9.3 • Market share: 65% • Tankage: 7MM³
Domestic Marketing	 	<ul style="list-style-type: none"> • Leading position in all market channels (Retail, Commercial, Aviation, Bunkering) 	<ul style="list-style-type: none"> • c.1,900 petrol stations • 29% market share • Sales volumes: 4MMT
International Marketing	 	<ul style="list-style-type: none"> • Presence in Cyprus, Montenegro, Serbia, Bulgaria • Significant advantage on supply chain/vertical integration 	<ul style="list-style-type: none"> • c.280 petrol stations • Sales volumes: 1MMT
Petrochemicals		<ul style="list-style-type: none"> • Sole producer and main marketer in Greece with strong export orientation • PP value chain integrated with refineries 	<ul style="list-style-type: none"> • Capacity (PP): 220 KMT
Power & Gas		<ul style="list-style-type: none"> • Second largest IPP in Greece (JV with Edison/EdF) 	<ul style="list-style-type: none"> • Capacity: 810 MW (CCGT)
		<ul style="list-style-type: none"> • 35% in Greece's incumbent NatGas supply company 	<ul style="list-style-type: none"> • Volumes (2012): 4.2BCM

HELLENIC PETROLEUM Summary Group Structure



HELLENIC PETROLEUM Group History Milestones

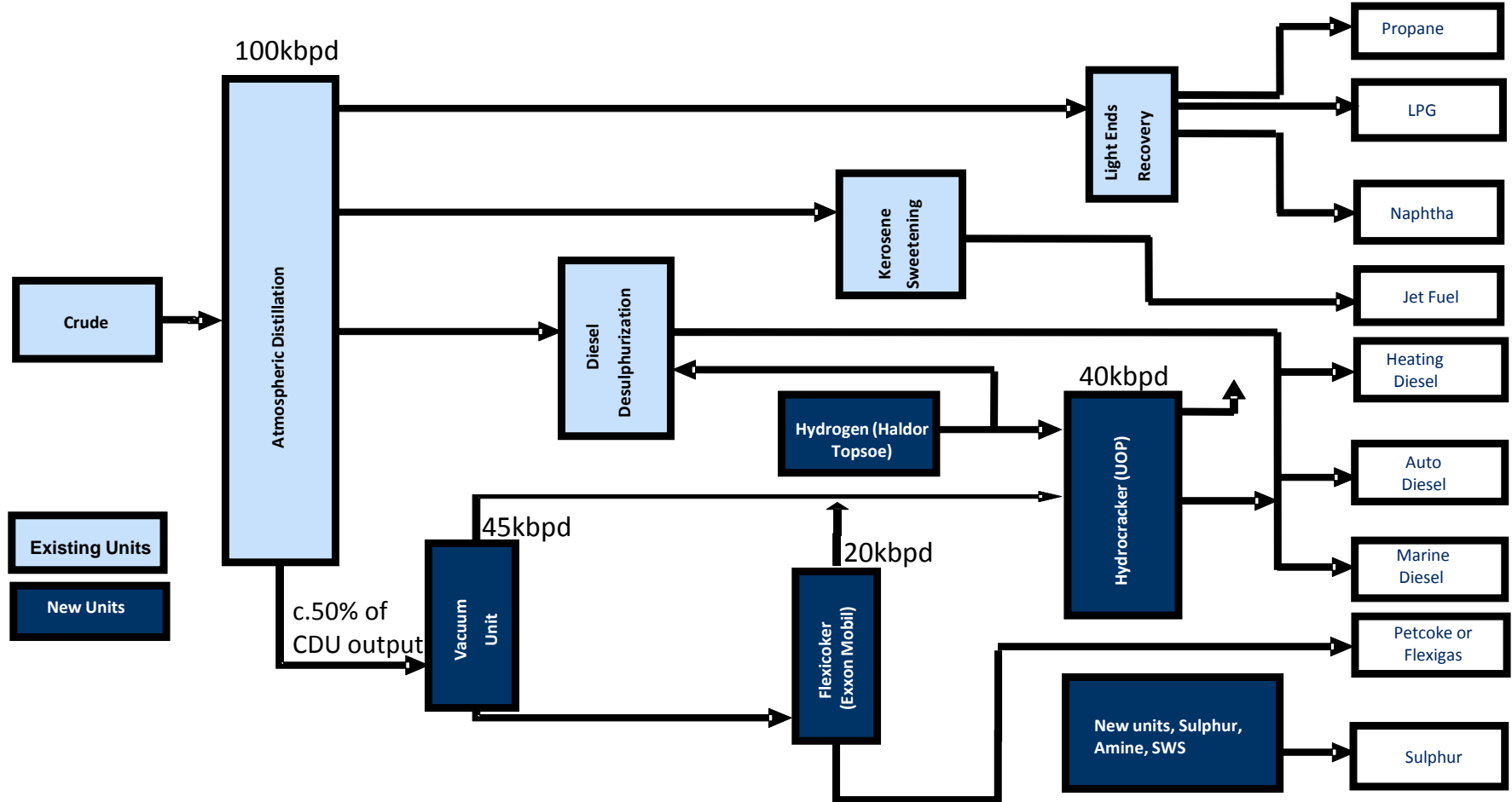


HELLENIC PETROLEUM: A diversified regional energy player, having completed its significant transformation strategy, well positioned for earnings growth with no capex risk

- A €10bn turnover Group, with leading position in SEE and East Med
- Successful implementation of a €3bn investment plan delivering €200m incremental EBITDA
 - Transformation initiatives with €230m full year benefits enhancing competitiveness and an upside of €70m
 - “Fit-for-purpose” Group structure and organisation
- Strong financial performance
 - Achievement of strategic targets, despite Greek crisis, industry “black swans” and regional challenges
 - Capex cycle completed signaling end to higher than target gearing as new investment returns kick in
 - Successful refinancing of €1.2bn in Dec 2012-Jan 2013, partly with own funds
 - Successful execution of inaugural €500m Eurobond issuance
 - o Books closed early (24hrs) due to strong demand at €3.5bn, an oversubscription of 7 times
 - o Significant interest from international investors, exceeding 80% of order book



Elefsina Refinery: Summary Configuration

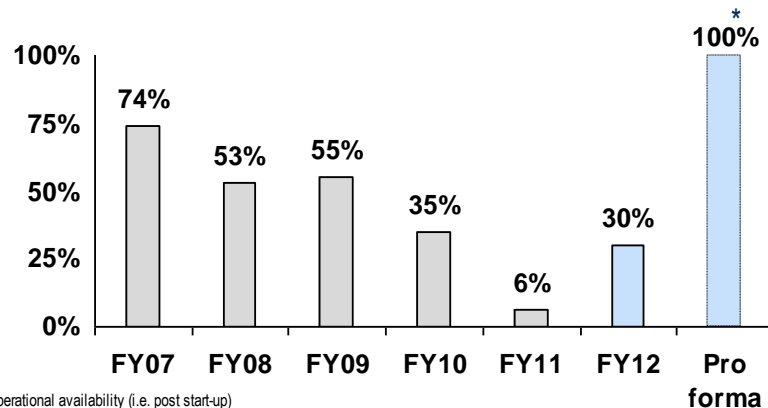


- Nelson complexity raised to 8.1
- All emissions significantly reduced (e.g. SO₂ by 70% and PM by 84%)

Elefsina Refinery: Key Economics

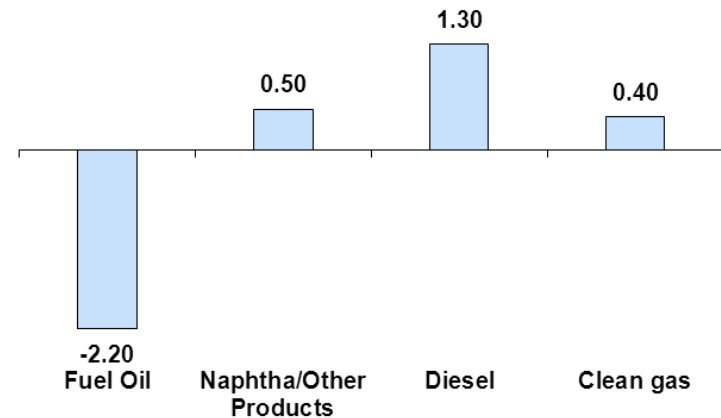
Transformational investment significantly enhancing competitiveness

Elefsina Utilisation rate

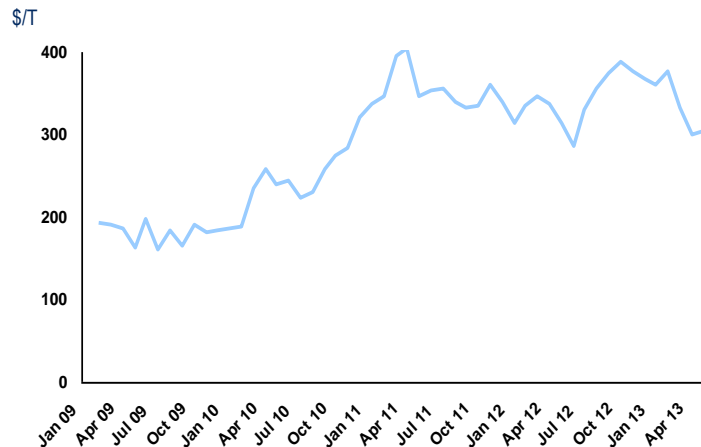


Upgrade impact on product yield

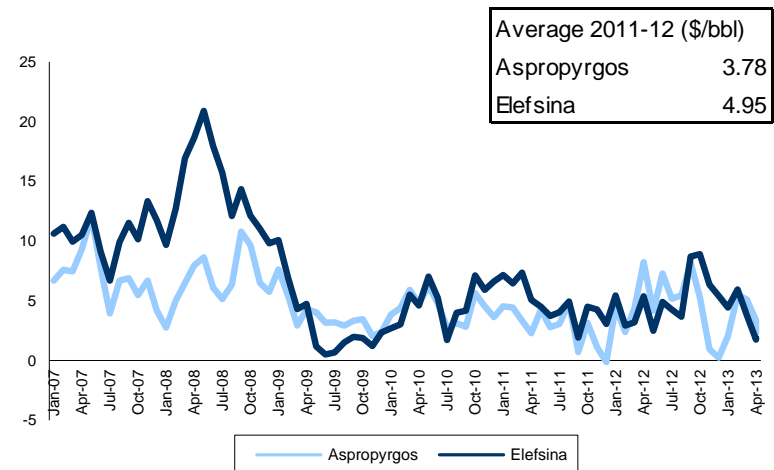
million tonnes / year



ULSD – HSFO spread

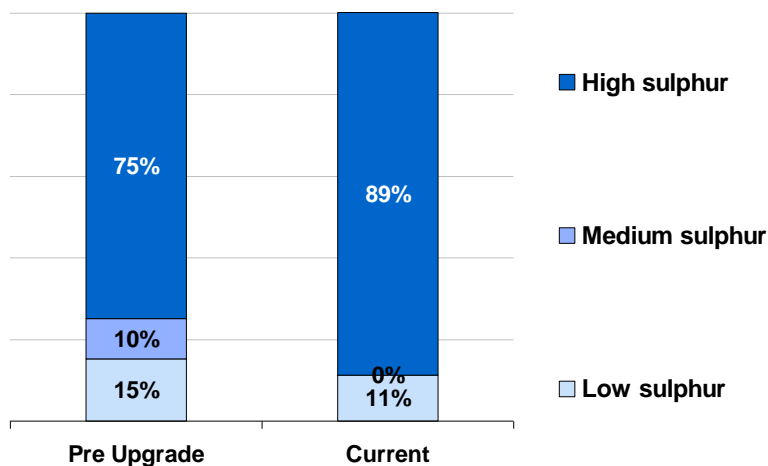


Cracking margins (\$/bbl) – Aspropyrgos vs Elefsina

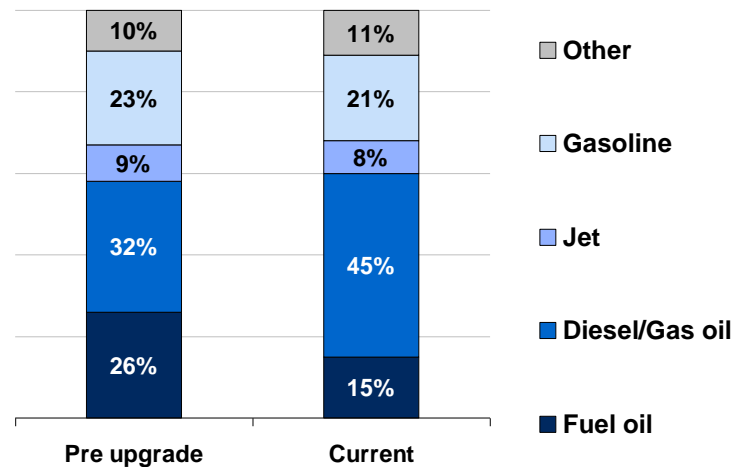


Significant impact of refinery upgrades on the Group's crude and product slate, thus delivering strong cash flows

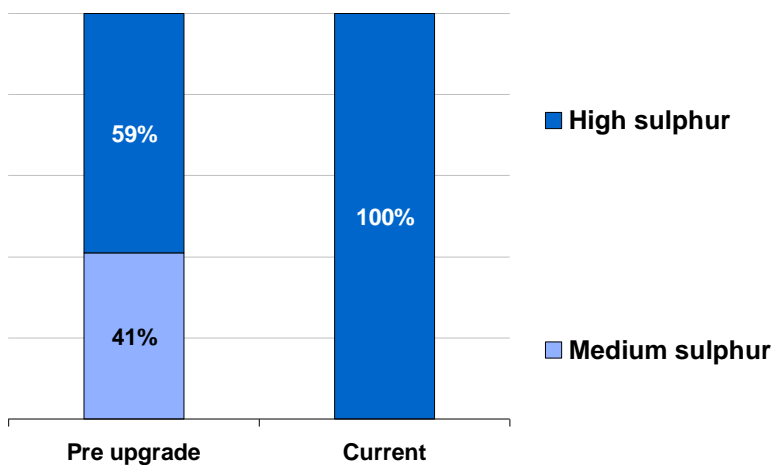
Crude slate — Group-wide



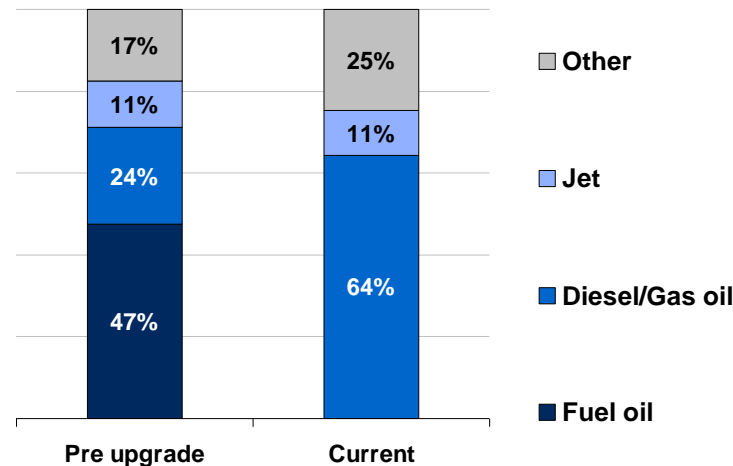
Product slate — Group-wide



Crude slate — Elefsina



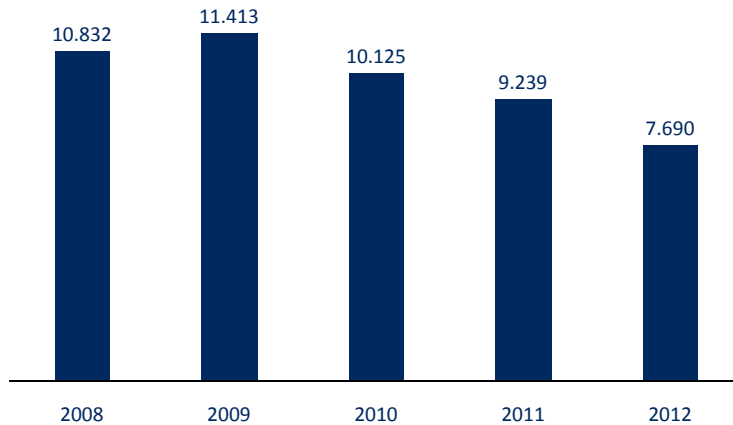
Product slate — Elefsina



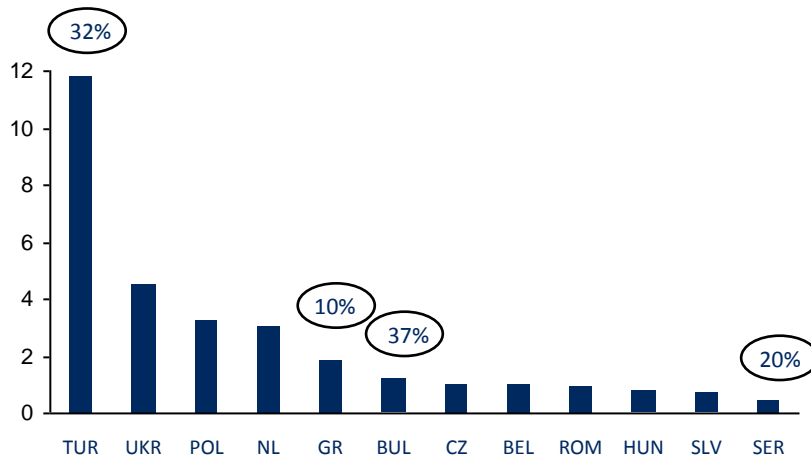
Regional Market: Increased middle distillates yield leveraging on regional market dynamics

Domestic Oil products demand 2008-2012

MMT / year

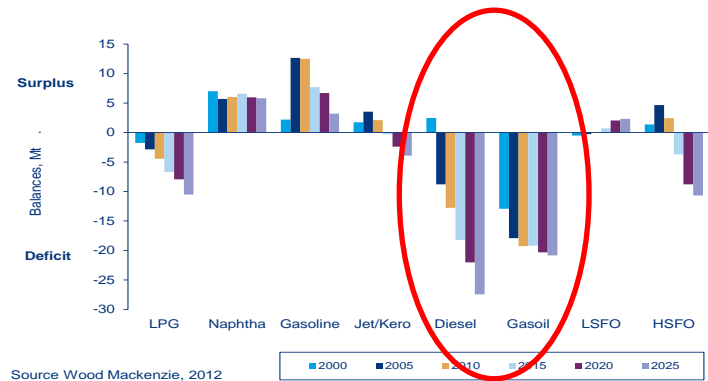


Top European markets with expected demand increase (2013-2022) - MMT



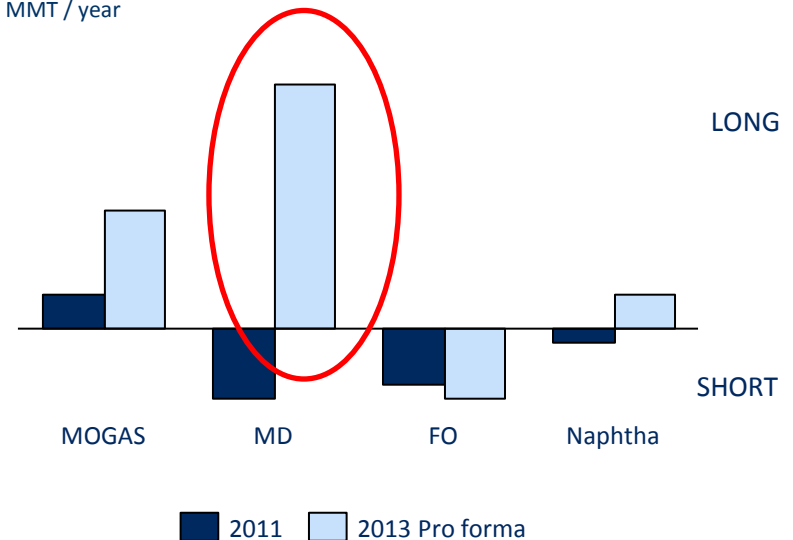
Refined Oil products balances 2000-2025f

MMT / year



Group product balances 2011-2013 pro forma

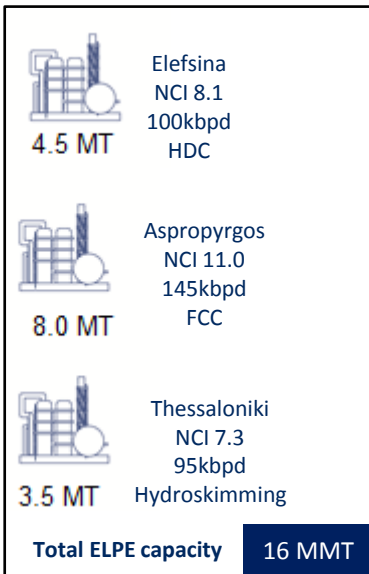
MMT / year



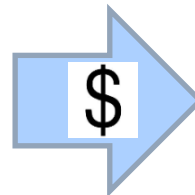
Greek Refining, Supply & Trading Economics: USD based value chain with significant trading returns complementing refining; export sales expected to exceed 50%, with domestic market premia accounting for less than 30% of EBITDA

Refining

(Med benchmark returns
& operations performance)



Refined Products
(16.0 MMT)



Imported Products
(1-1.5 MMT)

Markets

(sales premia varying
across channels)



Strategy 2013-2017: Business strategy focuses on operational improvements, risk management and cash flow maximisation

Business Priorities

- **Operational Excellence**
 - Optimize South hub refining operations
 - Adapt Domestic marketing to current environment
 - Maintain competitiveness improvement momentum
- **Rebalance exposure to Greek market**
 - Grow trading capabilities on the back of refining assets
 - Develop regional footprint strategy (wholesale/retail)
- **Leverage business portfolio**
 - Maximise value out of divestment of 35% in gas incumbent (DEPA/DESFA)
 - Optimise value generation for all our businesses
- **Develop our people and continue to build culture of excellence**

Financial Targets

- **Improve profitability**
 - Medium term EBITDA growth to €700m pa
 - Deliver €200-350m FCF pa
- **Deleverage Group**
 - Reduce Debt/EBITDA < 2 within 3 years
 - Decrease gearing to D/E < 0.75
- **Diversify funding mix**
 - Increase capital markets financing
 - Expand trade financing