Business Opportunities – downstream

Hellenic Petroleum's perspective

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Hellenic Petroleum is a vertically integrated energy group

Presence in *6* countries

EBITDA (2015)
€ 760 m

Complex Refining System
3 refineries in Greece (*340 kB/D*)
65% of wholesale market share

7 m M³
Crude and Product Tankage capacity

Exploration assets in Greece

35% stake in DEPA/DESFA, Greece's incumbent natural gas supply company

30% share of Greek retail market
1.700 gas station in Greece and
290 in other countries

3.500 employees in Greece & other countries

€3 bn. Investments between 2008-2012

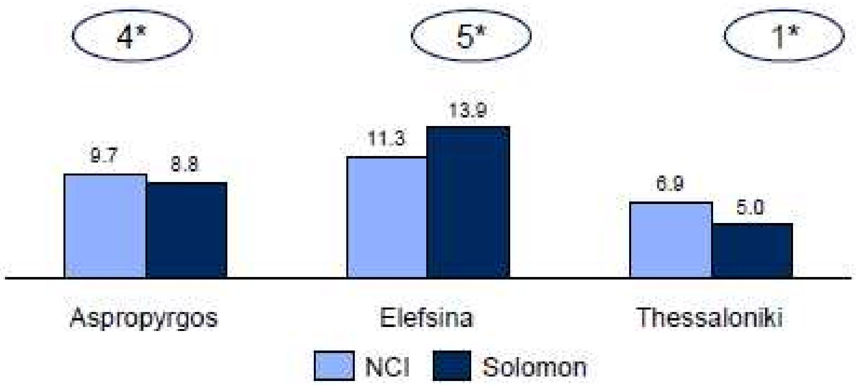
220 kt/y Polypropylene production
24 kt/y BOPP film production
Solvents (Hexane, White Spirit)

810 MW Power production in 2 CCGT plants
Power trading and marketing

Leading Independent Refiner in SEE with upgraded complex refining asset based sales evenly spread between domestic and international

Group operational footprint

Nelson/Solomon complexity and benchmark margins



(*) Average benchmark margins 2014-2015 ($/bbl)

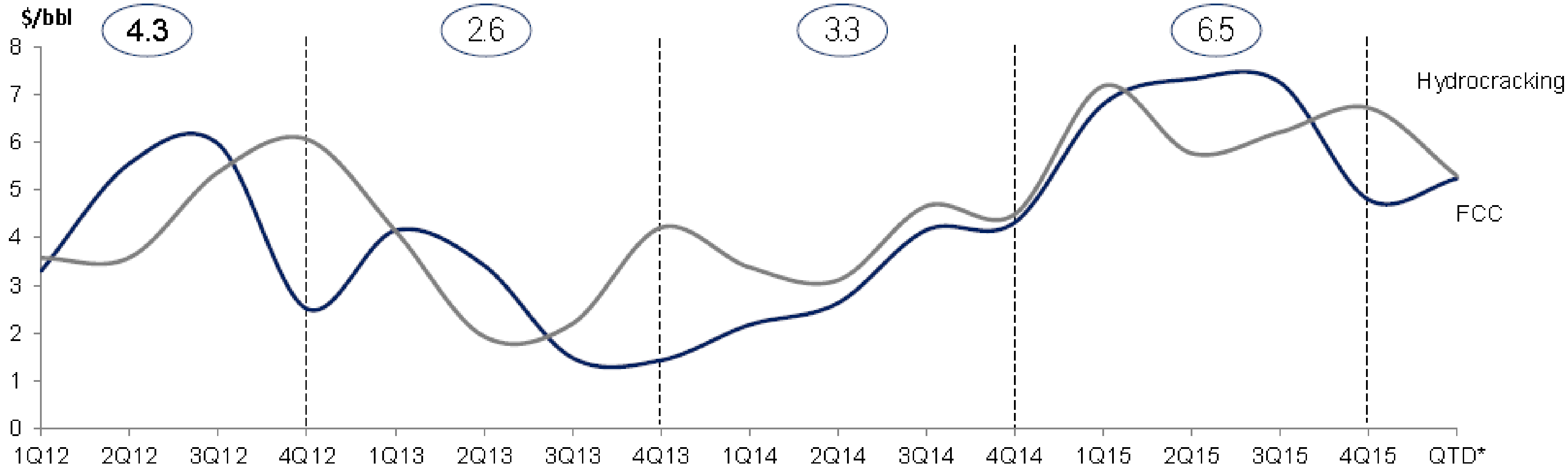
- High complexity (NCI: 9.6) and net margin refineries
- Balanced sales channel mix with export at 50% of total sales
- Regional footprint with international subsidiaries
- Leading domestic market position with country 60-65% of wholesale and 30% of retail
- Marketing and Petchems integrated with refining

Recent Refining Development

Recent Improvement in Refining environment

- European refining margin benefited from improved crude supply conditions and the lifting of Iran sanctions
- Strong demand in both OECD (US and Europe) and emerging markets (China) for products notably gasoline throughout 2015
- Weak crude prices and stronger USD positive for refiners, despite one-off inventory impact
- Challenges from the regional overcapacity and additional product flows from Middle East and Russia

Med complex margins - $/bbl (2012-2015)



(*) Data updated as of 14/03/2016

Med FCC margins: $/bbl

Europe Demand of oil products

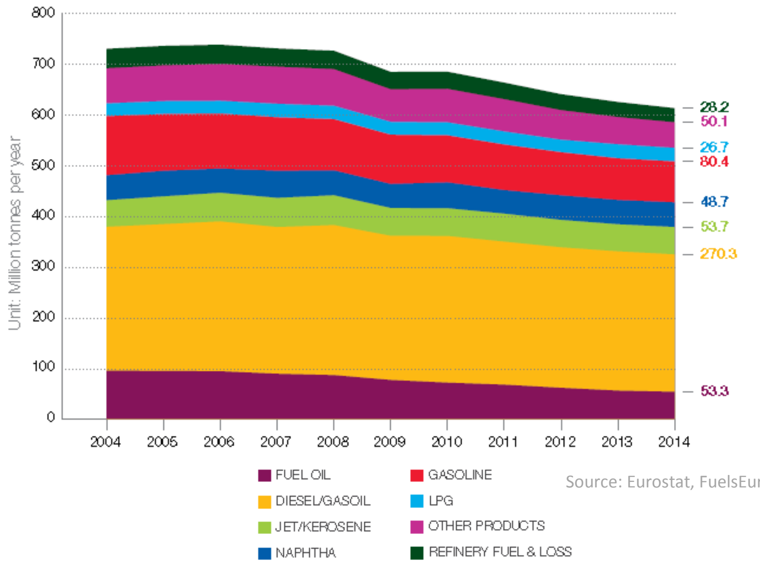
From 2008 to 2014, oil derivative demand has declined by 8%, mainly driven by the decrease in gasoline and Heavy Fuel Oil.

Diesel and Kero increased by 3%

Growing Gasoline Surplus and Diesel / Gasoil /Jet Fuels Deficits:

The EU has significant excess gasoline production capacity that need to be exported.

To meet regional high demands of Diesel and Jet is very reliant on other countries for import, especially Russia, Middle East and USA



Source: Eurostat, FuelsEurope

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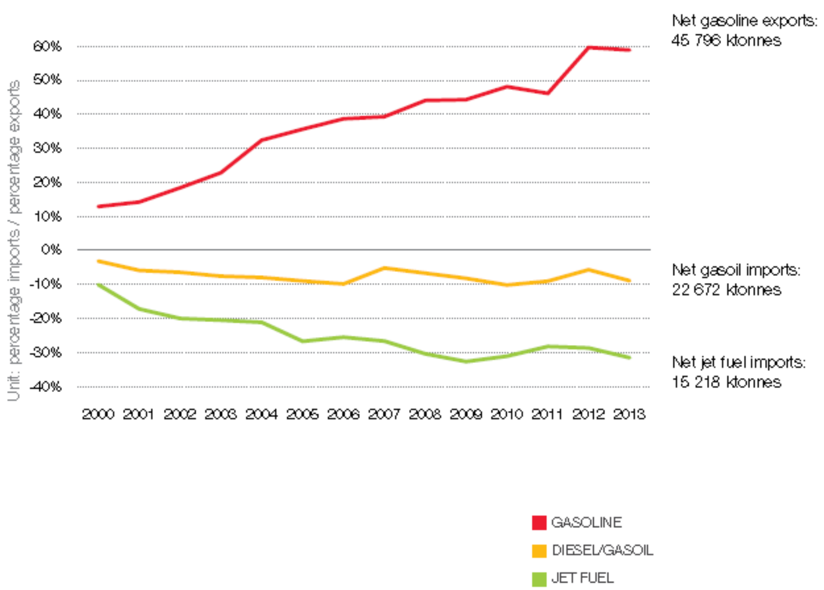
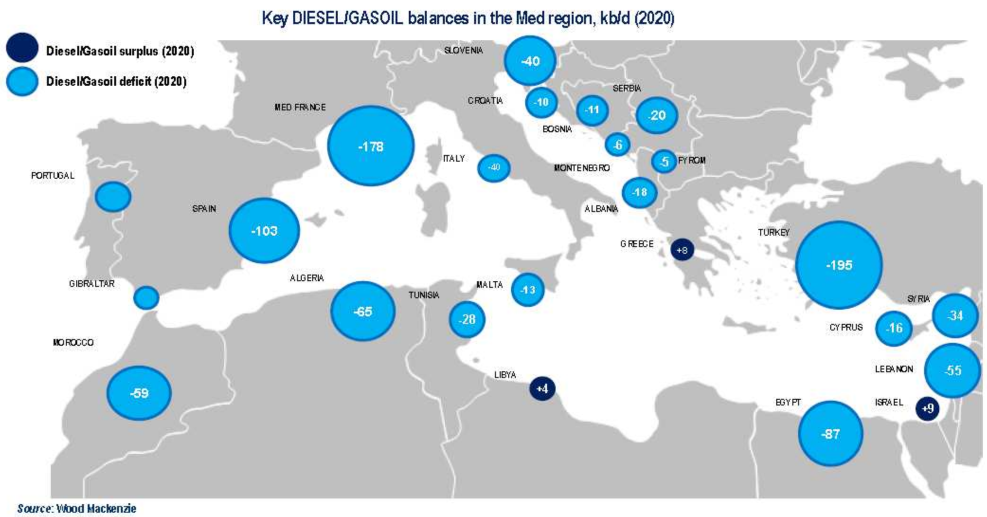


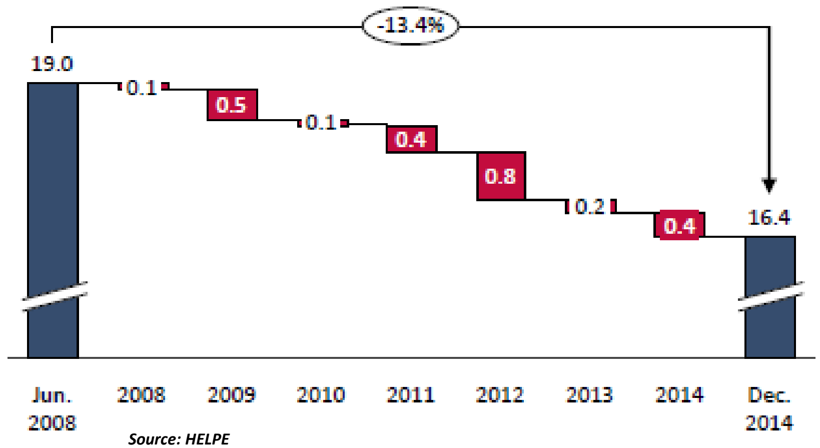
Regional market – Diesel Shortage in the Med



Refineries Shut-downs in Europe; New Refining capacity in South/East Med and Midde East

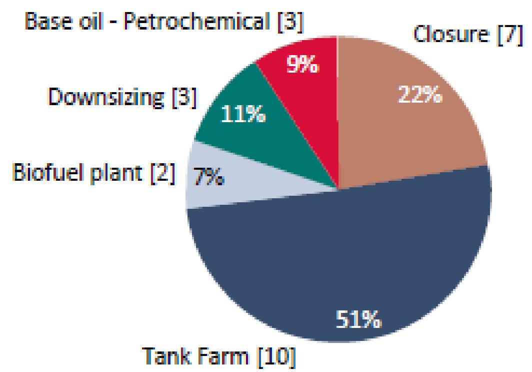
- The decreasing demand for oil products due to economic crisis had as result significant under utilization of capacity. 22 out of 127 refineries in Europe shut-down or downsized or change their type of production. Totally 2.6 m bbl/d of crude processing capacity have been lost from European Market

Refining Capacity change in Europe (mbbl/d)



Source: HELPE

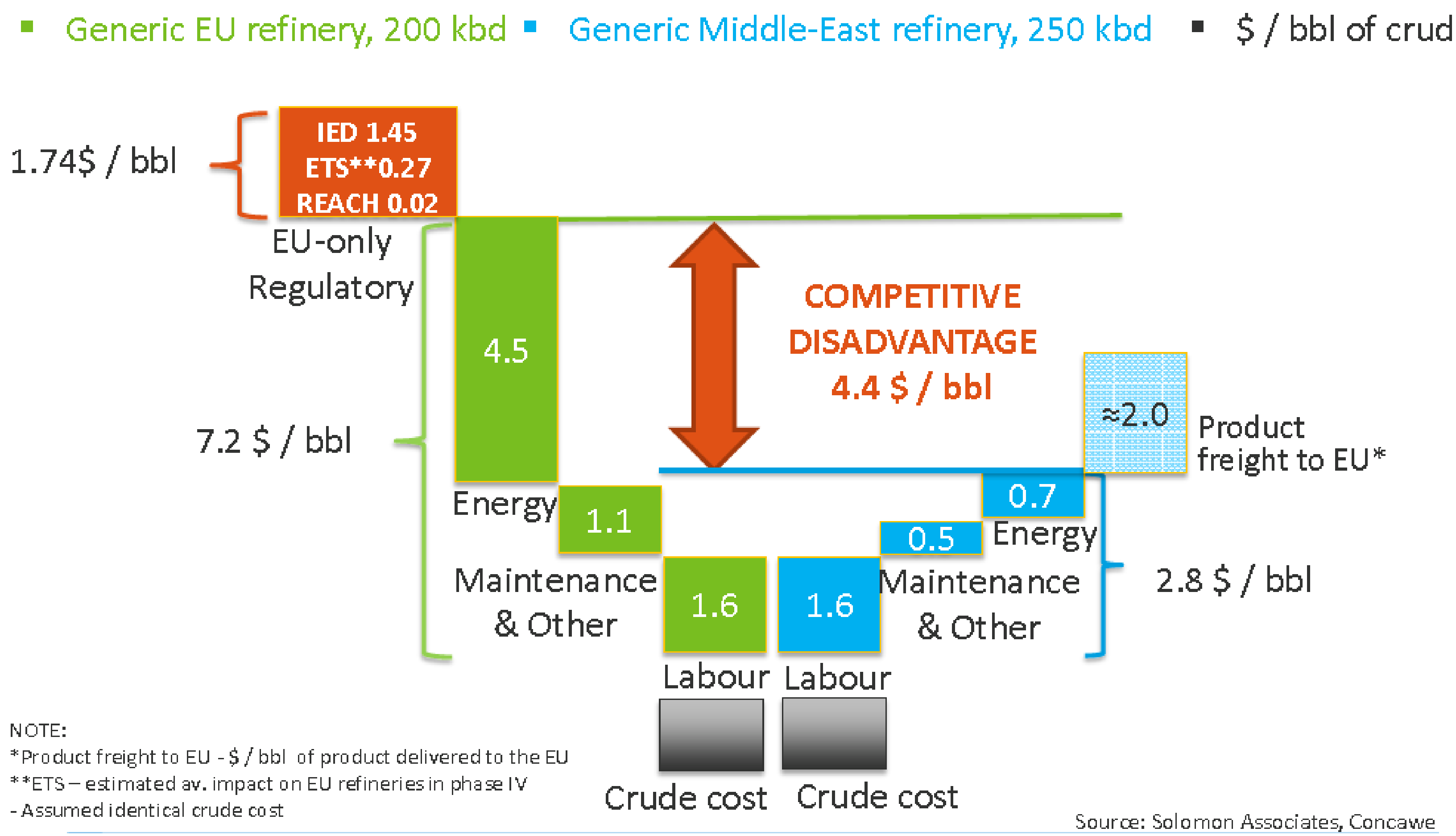
No of Cases and Shut-down type



Source: HELPE

- Scheduled investment in refining in Mediterranean Area and Middle East is underway resulting an extra capacity of 1,3 to 1,8 mbbl/d
- Regional overcapacity and additional product flows from Middle East/FSU will challenge European oil refiners. Lowest efficiency oil refineries in SW Europe are in danger to shut-down, long term.

EU Refineries at competitive disadvantage vs non-EU export oriented refineries



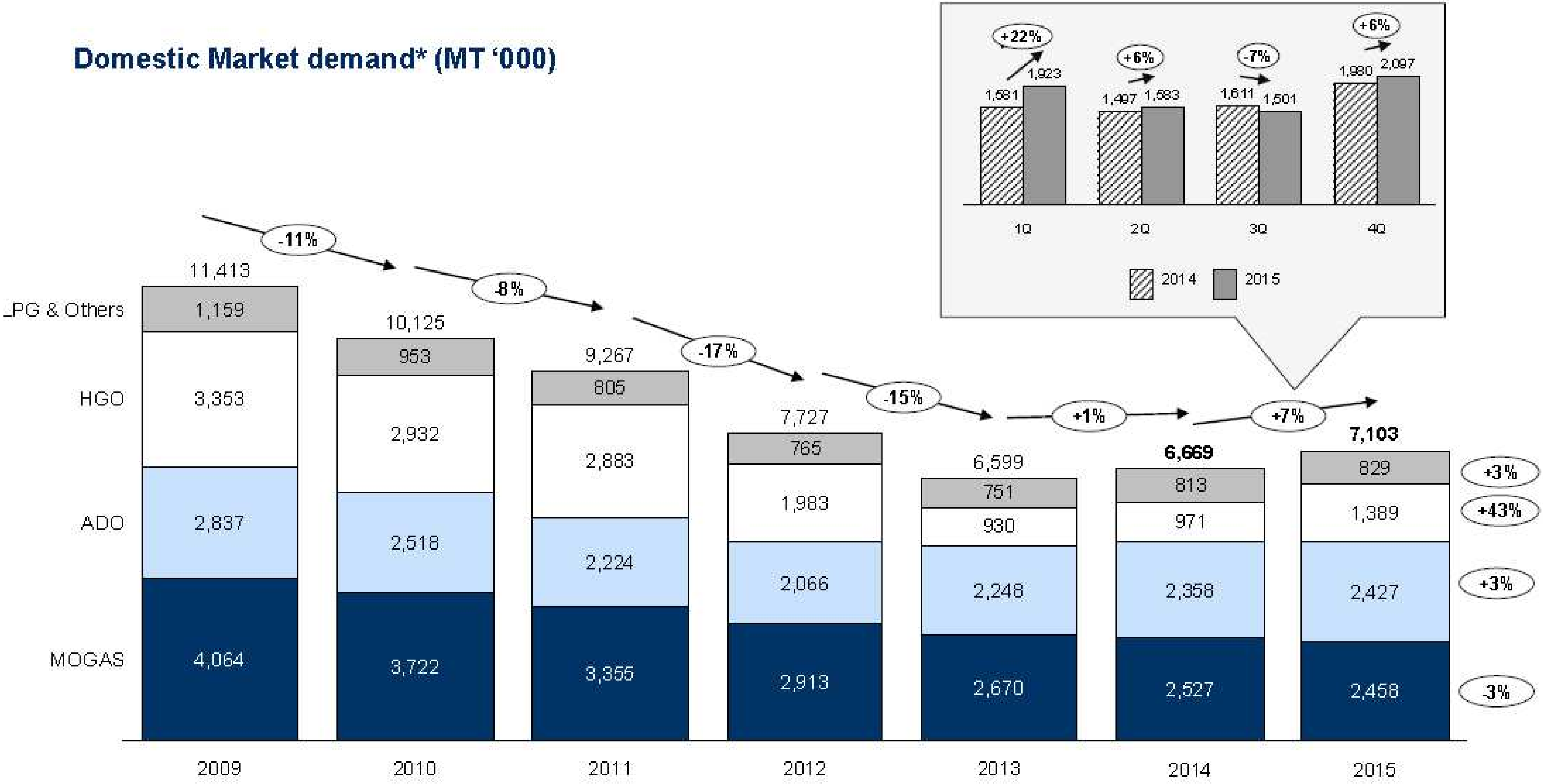
Energy cost of EU refineries significantly higher than competitor Middle-East Refineries

EU Policies that affect Refining Cost

- Tough new Industrial Emission Standards (Industrial Emissions Directive)
- Carbon Pricing
- The EU ETS reform will further reduce the competitiveness of EU energy intensive industries

Domestic Market

Stabilization in domestic market demand following significant contraction during the last few years



(*) Does not include PPC and armed forces

Source: Ministry of Environment & Energy

Hellenic Petroleum Response on to refining environment challenges

Hellenic Petroleum to overcome the economical crisis and survive under the new very competitive and changing environment, had only one option:

To adapt to the new situation and
To enhance Competitiveness

Action so far

- Complete a wide investment plan of 2 bn € to upgrade Elefsis and Thessaloniki Refineries to increase refining margin

- Implement a wide operation optimization project to decrease Opex and improve operation efficiency.

Completion of a wide Investment plan

Last 5 years Hellenic Petroleum invested 2 blns to upgrade Elefsis and Thessaloniki refineries

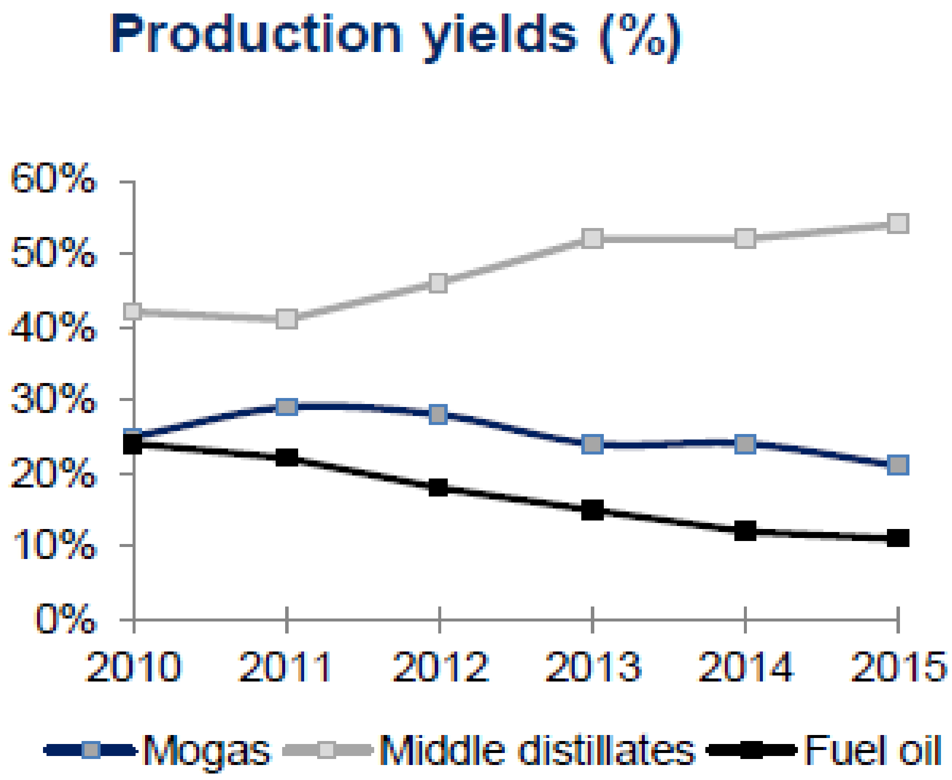
Maximising high margin products yield –
Increase significantly Middle Distillates to much expected shortage in Region

<u>Elefsis Refinery Upgrading Project:</u>

- New Vacuum Distillation Unit of 45 KB/SD.
- New Hydrocracking Unit of 39 KB/SD.
- New FlexiCoker Unit of 20 KB/SD.
- Refinery Utilities Upgrade.

<u>Thessaloniki Refinery Upgrading Project:</u>

- New CCR unit of 15 KB/SD.
- Crude Capacity revamp of 50%.
- Capability of processing lower value products



Operations Optimization

Operational efficiency is a key driver for profitability.

Hellenic Petroleum in cooperation with SHELL GLOBAL SOLUTIONS and KBC implemented an operational optimization project.

- A positive impact evident in a number of Key Performance during last few years as:

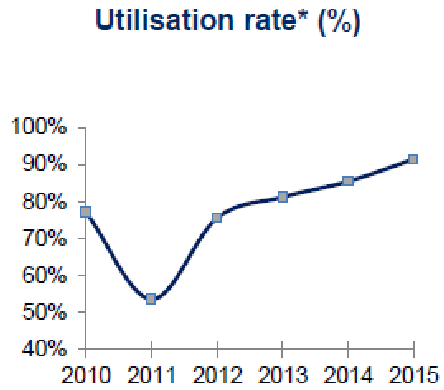
  Unit utilizations

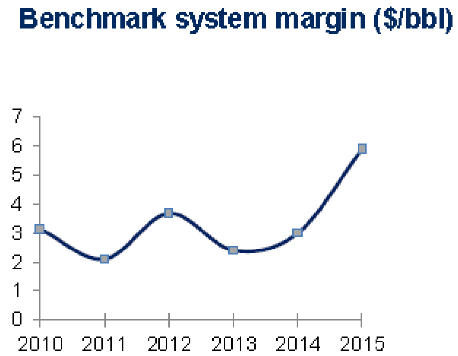
  Operation and Maintenance availability

  Energy Cost

  Maintenance Cost

  Personnel Cost





- Increased synergies of 3 refineries to improve even more benchmark margins
- Stop non-profitable units
- Implement Logistic consolidation project

As a result, a constant overperformance of our refineries vs benchmark margin is observed.

Realized HELPE margin is around 5-5,5 $/bbl higher than the benchmark margins

2015-2018 Strategy Update

Benefit of investments and focus on operational excellence and competitiveness improvement

Business Strategy

- *Integrate and realize benefit of new investments*
- *Enhance competitiveness improvement momentum*
- *Rebalance market position and de-risk business model*
- *Manage business portfolio for value*
- *Improve financial position*

Targets

- Capture positive refining cycles
- Improve Profitability
- Vertical integration – Increase refineries synergies
- Improve Operating KPIs & Solomon benchmarks
- Increase exports (50%)
- Deleverage balance-sheet
- De-risking

Summary

- European refineries compete in a highly competitive global market for refined petroleum products.
- European Refineries have High costs for energy and increased regulatory obligations vs export-oriented refineries outside EU
- Hellenic Petroleum is addressing the challenges enhancing its competitiveness
- The implementation of a €2 billion investment programme combined with optimization of operations enhanced Hellenic Petroleum's competitiveness and substantially increased profitability

Thank you