ASPROFOS ENGINEERING S.A.

Annual Financial Statements

in accordance with

International Financial Reporting

Standards (IFRS)

for the fiscal year ended 31 December 2011

ASPROFOS S.A.

COMPANY (S.A.) REGISTRATION No.: **4712/01 NT/B/86/654**

REGISTERED OFFICES: 284, EL. VENIZELOU AVE, KALLITHEA, ATHENS 17675

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Amounts in EUR thousand

Company Details

Board of Directors:	Adamantios Lentsios, Chairman of the Board (from 13/01/2012)
	Aristides Vakirlis, Chairman & Managing Director (until 12/01/2012)
	Ioannis Fotopoulos, Managing Director (from 13/01/2012)
	Nikolaos Skandalis, Vice Chairman
	Sarantos Kyriakopoulos, member (until 12/01/2012)
	Georgios Dimogiorgas, member
	Antonios Trifyllis, member (from 24/03/2010)
	Dionysios Routsis, member
	Nikolaos Fragkakis, member
	Haralambos Silamianos, member
	Aristides Doudonis, member
	Vasiliki Makrygianni, member
	Ioannis Douros, member (Employee Representative)
Registered Offices:	284, El. Venizelou Ave, Athens 17675
COMPANY (S.A.)	
REGISTRATION No.:	4712/01NT/B/86/654
Audit Firm:	PricewaterhouseCoopers LLP, Independent Auditors
	268, Kifisias Avenue,
	Halandri,
	Athens 152 32, Greece

Audit Report of the Independent Certified Auditor and Accountant

To the Shareholders of the Company ASPROFOS ENGINEERING S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of the Company ASPROFOS ENGINEERING S.A. (herein after "the Company"), as presented in pages 11 to 39 which are comprised of the statement of financial position as at 31st December 2011, the statements of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, as well as a summary of significant accounting principles and methods and other explanatory notes thereto.

Management's Responsibility for Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, as adopted by the European Union, as well as for those internal safeguards that the management has determined are necessary to enable the preparation of financial statements free of material misstatements due to fraud or error.

Auditor's Responsibility

Our responsibility lies in the expression of an opinion on these financial statements based on our audit. We have conducted our audit in accordance with International Auditing Standards. These standards require that we comply with ethical requirements and also plan and perform the audit with the object of obtaining reasonable assurance that the financial statements are free from any material misstatement.
An audit involves performing procedures to obtain audit evidence with regard to the amounts and disclosures contained in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatements in the financial statements whether due to fraud or error. In making such risk assessments, the auditor considers the internal controls relevant to the preparation and fair presentation of the financial statements of the company with the purpose of planning audit procedures appropriate to the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the company's internal safeguards. Such audit also includes an evaluation of the appropriateness of the accounting principles and methods used and the fairness of accounting estimates made by the Management, as well as an evaluation of the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the attached financial statements fairly present, in all material aspects, the financial position of the Company ASPROFOS ENGINEERING S.A. as of 31st December 2011, and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards endorsed by the European Union.

Reference to Other Legal and Regulatory Issues

We have verified that the contents of the Management Report by the Board of Directors' agree and correspond with the attached financial statements, within the scope of the provisions of articles 43(a) and 37 of Codified Law 2190/1920.

Athens, 11 April 2012
THE CERTIFIED AUDITOR & ACCOUNTANT
Marios Psaltis (SOEL Reg. No. 38081)

PricewaterhouseCoopers
Independent Auditing Company
Certified Auditors & Accountants
Institute of Certified Auditors and Accountants (SOEL) Reg. No. 113'

Amounts in EUR thousand

Statement of Financial Position

ASSETS	Notes	31 December 2011	31 December 2010
Fixed Assets			
Tangible assets – property, plant and equipment	**5**	4,125	4,530
Intangible assets	**6**	55	64
Other non-current receivables		10	10
		4,190	**4,604**
Current assets			
Trade and other receivables	**7**	8,533	6,666
Cash and cash equivalents	**8**	60	245
		8.593	**6.911**
Total Assets		**12,783**	**11,515**
EQUITY			
Share capital	**9**	5,027	5,027
Reserves	**10**	1.720	1.720
Results carried forward		(3,014)	(3,022)
Total equity		**3,733**	**3,725**
LIABILITIES			
Non-current liabilities			
Provisions for personnel retirement	**2**	5,729	5,308
Provisions for other liabilities	**3**	-	42
		5,729	**5,350**
Current liabilities			
Trade and other payables	**11**	2,432	1,637
Taxes and other duties		889	803
		3,321	**2,440**
Total liabilities		**9,050**	**7,790**
Total Equity and Liabilities		**12,783**	**11,515**

The notes on pages 11 to 39 form an integral part of these financial statements.

Chairman of the BoD	Managing Director	Finance & Administrative Services Director	Deputy Finance & Administrative Services Director
Adamantios Lentsios	Ioannis Fotopoulos	Efstsathios Stasinoulias	Sophocles Georgilas

Amounts in EUR thousand

Statement of Comprehensive Income

		Year ended	
	Notes	**31 December 2011**	**31 December 2010**
Turnover (sales)		**18,055**	**18,106**
Cost of sales	**15**	(14,910)	(14,402)
Gross profit		**3,145**	**3,704**
Administration and distribution costs	**15**	(3,228)	(3,245)
Other operating costs/net income	**16**	102	44
Operating profit/(loss)		**19**	**503**
Financing (costs)/net income	**17**	(6)	19
Profit/ (loss) before tax		**13**	**522**
Taxes	**18**	(5)	(1)
Net profits/ (losses) for the fiscal period		**8**	**521**
Other overall operating costs/net income arising from taxes		**-**	**-**
Total comprehensive income after taxes		**8**	**521**

The notes on pages 11 to 39 form an integral part of these financial statements.

Amounts in EUR thousand

Statement of Changes in Equity

	Notes	Share capital	Reserves	Results carried forward	Total Equity
Balance as at 1 January 2010		**5,027**	**1,720**	**(3,543)**	**3,204**
Other comprehensive income		-	-	-	-
Net profits/ (losses) for the fiscal period		-	-	521	521
Total comprehensive income for the fiscal period		-	-	**521**	**521**
Balance as at 31 December 2010		**5,027**	**1,720**	**(3,022)**	**3,725**
Balance as at 1 January 2011		**5,027**	**1,720**	**(3,022)**	**3,725**
Other comprehensive income		-	-	-	-
Net profits/ (losses) for the fiscal period		-	-	8	8
Total comprehensive income for the fiscal period		-	-	**8**	**8**
Balance as at 31 December 2011		**5,027**	**1,720**	**(3,014)**	**3,733**

The notes on pages 11 to 39 form an integral part of these financial statements.

Amounts in EUR thousand

Cash Flow Statement

		Year ended	
	Σημ.	**31 December 2011**	**31 December 2010**
Cash flows generated from operating activities			
Cash flows generated from operating activities	**19**	(121)	(81)
Net cash flows from operating activities		(121)	(81)
Cash flows from investment activities			
Purchases of tangible and intangible assets	**5,6**	(58)	(121)
Income from interest payments	**17**	25	43
Net cash flows from investment activities		**(33)**	**(78)**
Cash flows from financing activities			
Interest paid	**17**	(31)	(24)
Net Cash flows from financing activities		**(31)**	**(24)**
Net increase/(decrease) in cash and cash equivalents		**(185)**	**(183)**
	8	**245**	**428**
Cash and cash equivalents at start of fiscal year		(185)	(183)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at end of fiscal year	**8**	**60**	**245**

The notes on pages 11 to 39 form an integral part of these financial statements.

Notes on the financial statements

1 General information

The Company ASPROFOS S.A. is a wholly owned subsidiary of HELLENIC PETROLEUM S.A.. The Company provides specialized services in the field of industrial investments with a focus on investments in refineries, natural gas and infrastructure projects which range from the preparation of feasibility studies and basic and detailed designs to construction supervision and start-up services.

The Company is based in Greece, with registered offices at 284, El. Venizelou St, Kallithea, Athens, Postcode 17675. The Company's website address is www.asprofos.gr.

The accounting principles applied in the calculation and identification of accounting values are the same as those applied in the consolidated financial statements of the Hellenic Petroleum Group as at December 31, 2011. The functional currency and the presentation currency of the company is the Euro and the financial data presented in these Financial Statements are expressed in thousands of Euros unless otherwise stated.

These financial statements were approved for publication by the Board of Directors on April 10, 2012. The Shareholders of the Company have the power to amend the Financial Statements subsequent to publication.

2 Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all fiscal periods presented, unless otherwise stated.

2.1 Basis of preparation of the Financial Statements

The financial statements of ASPROFOS ENGINEERING S.A. for the fiscal year ended December 31, 2011 have been prepared by management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and according to the interpretations of the International Financial Reporting Standards Interpretations Committee, as adopted by the European Union.

These financial statements have been prepared on the basis of the historical cost convention as modified by the revaluation of financial assets available for sale, as well as other financial assets and liabilities (including derivatives) that are estimated at fair value by virtue of profit or loss.

The preparation of financial statements in accordance with International Accounting Standards demands the exercise of judgment on the part of the management of the Company as well as the use of estimates in the process of applying the accounting principles to calculate various accounting values. Areas requiring a greater degree of subjectivity, or of increased complexity, or where assumptions and estimates are significant for the financial statements, are referred to under Note 4, "Significant accounting estimates and assumptions". These estimates are based on the perception of events and actions by the management of the Company and actual events may differ from such estimates.

2.1.1. Going concern

The financial statements as at December 31, 2011, prepared in accordance with International Financial Reporting Standards (IFRS), fairly present the Company's financial position, profits and losses and cash flows based on the principle of its operation as a going concern.

As a result of the economic crisis substantial financial uncertainty has been created in international markets, particularly in relation to the Greek economy and the possible complications facing the successful conclusion of the programme to restructure its public debt. After careful consideration, and for the reasons explained below, the Company believes that: (a) the basic principle of a going concern, adopted in preparation of the financial statements, is not affected, (b) the assets and liabilities of the Company are properly presented with respect to the accounting principles applied and (c) operational plans have been drawn up to deal with any problems which may arise and thus avoid major disruptions to business activities.

Development of business activities

The revenue forecasts for 2012 depend, to a substantially reduced extent, on the provision of services to the parent company. At the same time, ongoing promotional efforts which began 1 to 2 years ago are continuing, specifically in the markets of Western Europe and the Middle East. These efforts have already begun to bring in contracts for the provision of services there in 2012.

The development of a strategic study to systematically develop new markets abroad is also underway, and is accompanied by appropriate arrangements for the formation of strategic alliances. Lastly, the Company is proceeding with substantial cutbacks in operating costs, primarily through a programme of restructuring accompanied by drastic cuts across all its operational expenses.

Greek Public Debt

As a result of the ongoing economic crisis, there is considerable economic uncertainty in international financial markets, particularly in relation to the Greek economy and the potential impact that failure to effectively restructure its public sector debt may have.

At the recent meeting of the Eurogroup, the decision to extend the second support package to Greece with the participation of private sector investors (PSI) was confirmed. This, combined with the commitment and ability of the Greek Government to implement the necessary measures to support the recovery of the country and reduce its public debt, is essential to future efforts to revive the Greek economy.

Liquidity in the Greek Banking System

The new package of measures which has been agreed, as well as the PSI, is expected to have significant negative consequences for Greek banks. The exact requirements for recapitalization for each bank will be determined after completion of the bond swaps programme and may lead to decreased ability to maintain existing credit line levels. As a positive development for the overall creditworthiness of large Greek companies, additional liquidity is expected to be available on completion of the PSI process through the European Financial Stability Fund (EFSF), as well as a reduction of uncertainty regarding the Greek economy. The effect on the Greek market of the deleveraging process is expected to make its presence felt in the near future – within six months to two years - and is expected to directly affect the Company and its trading partners in the domestic market. The Company's management will continue to monitor developments and respond in such a way as to ensure the continuation of its business activities.

2.1.2. Changes in standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning during the current reporting period or later. The Company’s evaluation of the effect of these new standards, amendments and interpretations is presented below.

<u>Standards and Interpretations mandatorily effective for the current fiscal year</u>

IAS 24 (Amendment) “Related Party Disclosures”

This amendment aims to reduce disclosures of transactions between government-related entities and to clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but also of commitments in both consolidated and the individual financial statements. The Company has applied these changes from January 1 2011.

IAS 32 (Amendment) “Financial instruments: Presentation”

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity’s own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment has no effect on the Company’s financial statements.

IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”

Interpretation 19 addresses the accounting method adopted by an entity issuing equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not applicable to the Company’s operations.

IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”

These amendments apply in limited circumstances: when an financial entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit from such an early payment as an asset. This interpretation is not applicable to the Company’s operations.

<u>Amendments to standards that form part of the IASB’s 2010 annual improvements programme.</u>

The amendments set out below describe the key changes to IFRS following the publication in May 2010 of the results of the IASB's annual improvements programme. Unless otherwise stated these amendments do not have a material impact on the Company's financial statements.

IFRS 3 "Business Combinations"

The amendments provide additional guidance with respect to: (a) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (b) measurement of non-controlling interests; and (c) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

IFRS 7 "Financial instruments: Disclosures"

The amendments include multiple clarifications related to the disclosure of financial instruments.

IAS 1 "Presentation of Financial Statements"

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or in the notes.

IAS 27 "Consolidated and Separate Financial Statements"

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

IAS 34 "Interim Financial Reporting"

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

IFRIC 13 "Customer Loyalty Programmes"

The amendment clarifies the meaning of the term 'fair value' in the context of measuring award credits under customer loyalty programmes.

Standards and Interpretations mandatorily effective for fiscal periods starting January 1 2012 or later. Unless otherwise stated, these amendments do not have a material impact on the Company's financial statements.

IFRS 9 "Financial Instruments" (effective for annual accounting periods beginning on or after 1 January 2015)

IFRS 9 is the first phase of the International Accounting Standards Board's project to replace IAS 39 and refers to the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. IFRS 9 cannot be adopted earlier by the Company as it has not yet been adopted by the European Union. Only once it is adopted will the Company decide whether it will apply IFRS 9 before 1 January 2015.

IFRS 13 "**Fair Value Measurement**" (effective for annual accounting periods beginning on or after 1 January 2013)

IFRS 13 provides new guidelines regarding fair value measurement and disclosure requirements. The requirements of this standard do not extend the use of fair value accounting, but provide clarifications as to how it should be applied in cases where its use is already required by other standards. IFRS 13 provides a precise definition of fair value as well as instructions concerning the measurement of fair value and disclosure requirements which are independent of the standard based on which fair value is used. In addition, disclosure requirements are expanded to apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the European Union.

IFRIC 20 "**Stripping costs in the production phase of a surface mine**" (effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for the costs of overburden waste removal (stripping) in the production phase of a mine. Under this interpretation, mining entities may be required to write off existing stripping assts to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. The interpretation applies only to stripping costs incurred in surface mining activity, and does not address underground mining activity or activities related to extraction of oil or natural gas. This interpretation has not yet been endorsed by the European Union. This interpretation has not yet been endorsed by the EU.

IFRS 7 (Amendment) "Financial instruments: Disclosures" - transfers of financial assets (effective for annual accounting periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as for transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidelines for application of the disclosure requirements.

IAS 12 (Amendment) "**Income Taxes**" (effective for annual accounting periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measurement of deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in accordance with IAS 40 "Investment Property". This amendment has not yet been endorsed by the European Union.

IAS 1 (Amendment) "**Presentation of Financial Statements**" (effective for annual accounting periods beginning on or after 1 July 2012)

The amendment requires business entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the European Union.

IAS 19 (Amendment) "**Employee Benefits**" (effective for annual accounting periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit plan expenses as well as pension and termination benefits (eliminating the corridor approach) and to disclosures concerning all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expenses, disclosure requirements, treatment of expenses and taxes relating to defined employee benefit plans and to the distinction between "short-term" and "long-term" benefits. This amendment has not yet been endorsed by the European Union.

IFRS 7 (Amendment) "Financial instruments: Disclosures" (effective for annual accounting periods beginning on or after 1 January 2013)

The IASB has published this amendment in order to incorporate additional information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements with respect to financial assets, including the off-set right associated with the entity's recognized financial assets and liabilities, on the entity's financial position. This amendment has not yet been endorsed by the European Union.

IAS 32 (Amendment) "Financial instruments: Presentation" (effective for annual accounting periods beginning on or after 1 January 2014)

This amendment to the application guidelines of IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities in the statement of financial position. This amendment has not yet been endorsed by the European Union. The Company is assessing the impact which these amendments will have on the financial statements.

2.2 Foreign exchange conversions

(a) Functional currency and presentation currency

The items in the Company's financial statements are measured in the currency of the primary economic environment in which each Company operates ("functional currency"). Financial statements are reported in Euros, which is the functional currency and the presentation currency of the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of transaction. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the fiscal year and from the translation of monetary items into foreign exchange at current rates applicable on the balance sheet date are recorded in profit and loss, except where they are transferred directly to equity since they relate to cash flow hedging and net investment hedging activities.

Profits/losses deriving from foreign exchange differences which arise from the estimated value of Cash and Cash Equivalents are recorded as financial profits/losses.

2.3 Tangible assets – property, plant and equipment

Tangible assets mainly include offices. Tangible assets are shown at acquisition cost less accumulated depreciation and impairment, with the exception of land which is valued at cost less impairment. Acquisition costs include all expenses directly attributable to the acquisition of assets. Subsequent expenditure is added to the book value of tangible assets or as a separate asset only where it is probable that future financial benefits associated with the asset will accrue to the Company, and that their cost can be measured reliably. The cost of repairs and maintenance is removed from the results when it occurs.

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

- Land	Not applicable
- Buildings	20 years
- Other equipment	5 years

The residual values and useful economic life of tangible assets (property, plant and equipment) are subject to reassessment at least at each balance sheet date.

When the book values of tangible assets exceed their recoverable value, the difference (impairment) is entered in the income statement as an expense.

Profits or losses from the sale of tangible assets are determined by the difference between the amount accruing and their net book value. These profits or losses are written off in the profit and loss statement as part of other net income (expenses).

2.4 Intangible assets

Software

Software costs include the purchase cost of software programs. The cost of software user licenses is capitalized on the bases of acquisition and development costs for the specific software. These costs are depreciated using the straight-line method over the length of its useful life (3 years).

2.5 Impairment of non-financial assets

Assets with an indefinite useful life are not depreciated, and are subject to impairment testing on an annual basis, and whenever certain events or changes in circumstances suggest that their book value may not be recoverable. Assets which are depreciated are subject to impairment audits when there are indications that their book value is not recoverable. Impairment losses are recognized to the extent of the amount by which the book value of the asset exceeds its recoverable value. The recoverable value is the higher of fair value, reduced by disposal cost, and use value (current value of expected future cash flows accruing in view of management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified as minimum cash generating units. Any non-financial assets, apart from goodwill, which have undergone impairment, are reassessed for possible impairment reversal on each balance sheet date.

2.6 Financial Assets

2.6.1 Classification

The financial assets of the Company are classified into the following categories: financial assets at fair value through profit or loss, held-to maturity investments, investments available for sale and loans and receivables. Classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition and classification is reviewed at each balance sheet date.

(a) Financial assets at fair value through profit and loss

Financial assets are included in this category if acquired for sale in the short term or if so designated by management. Derivatives are also included in the 'for sale' category unless they are acquired for hedging purposes. Assets in this category are included in current assets either because they are intended for sale or intended for liquidation within twelve months of the balance sheet date. This is not applicable to these Financial Statements. For the purposes of preparation of these financial statements, the Company does not hold any financial assets which fall into this category.

(b) Loans and receivables

These include non-derivative financial assets with fixed or predefined payments which are not traded in active markets and there is no intention of selling them. They are included in current assets, apart from those with maturities longer than 12 months after the balance sheet date. The latter are classified as non-current assets. Receivables are included in the balance sheet either in the category of "Trade and other receivables" or the category "Cash and Cash Equivalents" and are presented at amortized cost using the effective interest rate.

(c) Financial assets held for sale

These include non-derivative financial assets that are either designated as such or which cannot be included in any of the previous categories. They are included in non-current assets providing management has no intention of disposing of them within 12 months of the balance sheet date. For the purposes of preparation of the financial statements, the Company has no financial assets that can be categorized as available for sale.

2.6.2 Recognition and measurement

The financial assets measured at fair value through profits or losses are initially recognized at fair value and transaction costs are presented in the income statement (profit and loss account).

Purchases and sales of investments are recognized on the transaction date, which is the date on which the Company commits to buying or selling of the asset. Investments are initially recognized at fair value plus direct transaction costs for all financial assets recognized at fair value through profit or loss. Investments are written off when the right to cash flows from investments expires or is transferred and the Company has materially transferred all risks and rewards incident to ownership. Financial assets held for sale at fair value and financial assets at fair value through profit and loss are subsequently presented at fair value. Loans and receivables are recognized at their present value using the effective interest method. Realized and revaluation-based profits or losses arising from changes in fair value in the category "financial assets through profit and loss" are entered in the statements for the period in which they occur. Profits or losses from valuations resulting from changes in the fair value of non-financial assets held for sale are recognized directly in equity. When investments held for sale are sold or impaired, the cumulative changes in fair value are transferred to profits or losses as gains or losses from investment securities.

The fair values of financial assets that are traded in active markets are defined by their current prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows which are specially designed to present the true circumstances.

2.6.3 Impairment of financial assets

At each balance sheet date the Company assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity shares and securities classified as held for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is proven, the accumulated loss in equity, which is the difference between the cost of acquisition and the fair value, is transferred to the income statement. Impairment losses in equity instruments recognized in profits and losses are not reversible through profit and loss.

2.6.4 Offsetting financial instruments

Financial assets can be offset against financial liabilities and the net balance shown in the balance sheet if there is a legally enforceable right and there is an intention to settle on a net basis or realize the asset and settle liability simultaneously.

For the purposes of preparation of these financial statements the Company has not made any offset arrangements.

2.7 Trade and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Impairment losses for doubtful accounts are recognized when there is objective evidence that the Company is not in a position to collect all amounts due to it under the contractual terms.

Serious problems faced by the customer, the probability of bankruptcy or financial restructuring or the inability to meet scheduled payments are considered evidence that the receivable value has been impaired. The amount of the impairment provision is the difference between the book value of receivables and the present value of estimated future cash flow, discounted at the effective interest rate. The amount of the impairment loss is recognized in profit and loss and included under the «Administrative and sales expenses" account.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk and bank overdrafts.

2.9 Share capital

Share capital includes the Company's ordinary shares. Direct expenses for the issue of shares are shown following subtraction of the relevant income tax, reducing the proceeds from the issue.

2.10 Employee benefits

(a) Obligations due to retirement

The Company has both defined contribution and defined benefit schemes in place.

The pension plan is a defined contribution plan under which the company makes fixed payments to a separate legal entity. The Company has no legal obligation to pay additional contributions if the fund does not have sufficient assets to pay all employees' benefits relating to their service in this and previous periods.

In respect of other defined contribution plans the company pays contributions to state pension funds on a mandatory basis. The Company has no other obligation once it has paid its contributions. The contributions are recognized as personnel expenses when due. Prepaid contributions are recognized as an asset where they may be refunded or can be offset against new debt.

The pension scheme is a defined benefit plan that sets aside a specific amount for payment of a pension that an employee will receive when he retires, which usually depends on one or more factors such as age, years of experience and level of earnings. The Company does not fund a defined pension benefit plan.

The liability recognized in balance sheet for defined benefit plans is the present value of the liability for defined benefit minus the fair value of the assets forming part of the scheme, the changes arising from the unrecognized actuarial gains and losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is calculated by discounting future cash flows at a discount rate equivalent to the interest rate on long-term Greek government bonds with a duration approximately equal to that of the pension plan.

The cumulative actuarial gains and losses resulting from adjustments based on historical data and the assumptions of the actuarial study which exceed 10% of the value of assets of the scheme or 10% of defined contribution liability are recognized in profit and loss through the expected average of the remaining insured working life of the participants in the plan.

The cost of past service is directly recognized in profit and loss, except for cases where changes in the scheme depend on the remaining working life of company employees. In such cases past service costs are recorded in the profit and loss using the straight line method within the maturity period.

(b) Employment termination benefits

Employment termination benefits are payable when employees leave before their retirement date or when the employee leaves voluntarily in exchange for such benefits. The Company recognizes these benefits when it has made the commitment to do so, either when terminating employment of current employees in accordance a detailed formal plan without the alternative of refusal, or when it offers such benefits as an incentive for voluntary redundancy. When such termination benefits are deemed payable more than twelve (12) months from the Balance Sheet date, then they must be discounted at their current value.

2.11 Provisions

Provisions for risks and liabilities are made when the company has legal contractual obligations arising from past actions, or is likely to require future outflows for the settlement of such obligations and these obligations can be estimated with reasonable accuracy. Restructuring provisions include fines in respect of termination of salary contracts and fees related to employee termination of service. Provisions may not be made in respect of potential future operating losses.

Provisions are calculated at the present value of management's best estimates of the expenditure required to settle expected liabilities at the end of the reporting period. The discount rate used reflects market conditions and the time value of money as well as increases specific to the liability.

2.12 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured according to the amortized cost using the effective interest method. Accounts payable are classified as short-term if payment is due in one year or less. If not they are shown as long term liabilities.

2.13 Current and deferred taxation

Deferred income tax is determined using the liability method in respect of temporary differences arising between the book value and the tax bases of assets and liabilities shown in the 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 the accounting or the taxable gains or losses. Deferred tax is determined using the tax rates and laws in force as of the date of the balance sheet, and which are expected to be in force when the deferred tax receivables accrue or deferred tax liabilities are repaid.

Deferred tax receivables are recognized to the extent that there will be future taxable gains making use of the temporary difference that gives rise to deferred tax receivables.

Deferred tax receivables and liabilities are offset only if the offsetting of tax receivables and liabilities is permitted by law, and provided that deferred tax receivables and liabilities are determined by the same tax authority for the tax paying entity or other different entities, and the intention has been expressed to proceed to settlement by way of offset.

These financial statements do not contain recognized deferred tax provisions as the Company estimates that there will be sufficient taxable profits in subsequent years to offset the total loss.

2.14 Recognition of revenues

Revenue is comprised of the fair value of services provided in the field of design studies - technical services, net of Value Added Tax, discounts and rebates. Revenue is recognized as follows:

(a) Revenue from the provision of services
Revenue from services provided, based on framework contracts, is recognized on the basis of costs accruing in the period plus a margin of profit.

Amounts in EUR thousand

(b) Fixed Price Contracts

Revenue based on fixed price contracts are recognized in the period services are provided, based on the stage of completion of the service in relation to total income receivable for the services rendered.

(c) Income from interest

Income from interest is calculated pro rata over time using the effective interest rate. When a receivable is impaired, the book value is reduced to its recoverable amount, which is the present value of expected future cash flows discounted at the original effective interest rate, allocating the discount as income from interest.

2.15 Leasing

Leases of fixed assets which essentially retain all risks and benefits of ownership are classified as finance leasing. Finance leases are capitalized at the start of the leasing period at the lower of the fair value of the leased asset and the current value of the minimum lease payments. Each lease payment is shared between reduction of the liability and the financing charges such that a fixed interest rate on the remaining financial liability is established. The respective lease liabilities, net of financing charges, are included in long-term liabilities. That portion of the costs of financing the lease which corresponds to interest is recognized in the income statement over the term of the lease such that a fixed rate of interest is established on the balance of the liability remaining in each period. Fixed assets acquired through finance leases are depreciated over the shorter period between their useful life and the term of the lease.

The Company has not made any financial leasing arrangements.

Leases under which the risks and rewards incidental to ownership remain with the lessor are classified as operating leases. The payments made for operating leases (net of any incentives offered by the lessor) are recognized in the income statement using the straight line method over the period of the lease.

For the purposes of preparation of these financial statements, the Company has entered into operating leases as presented in note 21.

2.16 Distribution of dividends

Mandatory distribution by law of dividends to shareholders is recognized as a liability in the financial statements for the fiscal year in which the dividends are approved by the General Meeting of Shareholders.

3 Financial risk management

3.1 Financial risk factors

The business activities of the Company are conducted in the Greek market, and the greater part of its activity involves transactions with its parent company Hellenic Petroleum S.A.. As such the Company has limited exposure to market risk. The same applies to currency exchange, credit and cash flow risks, and the risk associated with changes in fair value due to fluctuations in interest rates. On the other hand, the Company is exposed to liquidity risk.

(a) Market risk

(b) Currency exchange risk

The functional currency of the Company is the Euro. Currency exchange risks for the Company are considered to be limited given that its transactions are conducted in the functional currency.

(c) Credit risk

The Company has no significant concentrations of credit risk since the majority of receivables originate with companies in the HELLENIC PETROLEUM Group. Customers outside the Group are Companies which have a proven record of creditworthiness.

The table below shows the distribution of customer receivables:

	31 December 2011	**31 December 2010**
Total customer receivables	8,335	6,418
Of which:		
Balance for the credit period not impaired	2,183	1,931
Impaired Balance	53	53
	8,282	**6,365**

Amounts in EUR thousand

Provisions for doubtful receivables

The maximum exposure to credit risk at balance sheet date is the fair value of each class of receivable referred to above. Provisions are made for doubtful receivables for which it estimated that failure to collect will create losses.

The breakdown of customer receivables with maturity dates outside the credit period but not considered impaired, is as follows:

	31 December 2011	**31 December 2010**
Up to 30 days	1,218	1,237
30-90 days	572	312
More than 90 days	393	382
Total	**2,183**	**1,931**

The breakdown of maturation dates of impaired trade receivables:

	31 December 2011	**31 December 2010**
Up to 30 days	-	-
30-90 days	-	-
More than 90 days	53	53
Total	**53**	**53**

The balance of impaired receivables comes from other wholesale customers who are in financial difficulties, though it is expected that part of these will be collected.

(d) Liquidity risk

Liquidity risk is handled by the Company's Finance Department in collaboration with the parent company. The free flow of cash within the Company is dependent on the cash liquidity management at Group level, given that the Company has a high concentration of receivables in HELLENIC PETROLEUM S.A..

Given market developments during 2011, the liquidity risk is greater and cash management has become a more pressing imperative. The Company has no outstanding financial liabilities for the year ended December 31, 2011 so liquidity risk management is limited to liabilities to trade suppliers and other creditors. These liabilities as at December 31, 2011 amounted to €889 thousand (31.12.2010: € 803 thousand) due within one year and are equal to current balances. The effect of discounting is not significant.

(d) Cash flow risk and risk from changes in fair value due to changes in interest rates

The Company is not exposed to risks associated with changes in fair value due to changes in interest rates since it does not have any standing loan arrangements during the fiscal years covered by the financial statements.

(e) Management of capital risk

The Company's goals in relation to capital management are to ensure its uninterrupted operation in the future, with the aim of providing satisfactory returns for shareholders and other stakeholders, as well as maintaining optimum capital allocation and thus minimize the opportunity cost of capital employed.

The Company has no outstanding loans in the fiscal periods in question, and shows positive cash and cash equivalent balances.

3.2 Determination of fair values

The nominal value less provisions for doubtful receivables and payables is estimated to approach their true value. For the purpose of disclosure in financial statements, the true values of financial liabilities are calculated on the basis of the present value of future cash flows resulting from specific contracts, using the current interest rate available to the Company for the use of similar financial instruments.

Amounts in EUR thousand

4 Significant accounting estimates and assumptions

The company makes certain estimates and assumptions in relation to the future. By definition therefore these estimates will seldom coincide exactly with actual events. The estimates and assumptions involving a significant risk of revaluation of the book value of assets and liabilities in the subsequent financial period are indicated below.

Estimates and assumptions are continually reassessed and are based on past experience adjusted in accordance with current market conditions and other factors, including expectations of future events that are reasonable under present circumstances.

(a) Income Tax

The Company is subject to tax and judgment must be used to determine income tax provisions. There are many transactions and calculations for which the final determination of tax is uncertain.

The Company has not set aside a provision for liabilities arising from anticipated tax audits or due to accumulated tax losses, but estimates that significant future tax liabilities will not arise from such audits. If the final tax amount is different from that initially recognized, such differences will impact income tax as recognized in the income statement.

Management believes that it is unlikely that there will be sufficient taxable profits to offset the total of tax losses and therefore there are no recognized deferred tax assets.

(b) Pension plans

The present value of pension provisions depends on a number of factors determined by actuarial methods and assumptions. One such actuarial assumption is the discount rate used to calculate the cost of the provision.

The Company determines the appropriate discount rate at the end of each year. This is defined as the rate that should be used to determine the present value of future cash flows which would be necessary to meet pension plan obligations. In order to determine the appropriate discount rate, the Company uses the interest rate of low-risk corporate bonds, converted into the currency in which the liability is paid, with a due date near to that of the relevant pension plan liability.

Other important assumptions relating to pension plan obligations are based in part on current market conditions. Further information is presented in Note 14 of this document.

5 Tangible fixed assets - property, plant and equipment

	Land	Buildings	Vehicles	Furniture & other equipment	Total
Cost					
Balance as at 1 January 2010	**1,283**	**7,576**	**-**	**1,370**	**10,229**
Additions	-	4	-	102	106
Sales/disposals	-	-	-	-	-
Balance as at 31 December 2010	**1,283**	**7,580**	-	**1,472**	**10,335**
Accumulated depreciation					
Balance as at 1 January 2010	**-**	**4,099**	**-**	**1,285**	**5,384**
Amortization for the period	-	371	-	50	421
Sales/disposals	-	-	-	-	-
Balance as at 31 December 2010	-	**4,470**	-	**1,335**	**5,805**
Net book value as at 31 December 2010	**1,283**	**3,110**	**-**	**137**	**4,530**
Cost					
Balance as at 1 January 2011	**1,283**	**7,580**	**-**	**1,472**	**10,335**
Additions	-	-	-	25	25
Sales/disposals	-	-	-	(331)	(331)
Balance as at 31 December 2011	**1,283**	**7,580**	-	**1,166**	**10,029**
Accumulated depreciation					
Balance as at 1 January 2011	**-**	**4,470**	**-**	**1,335**	**5,805**
Amortization for the period	-	371	-	59	430
Sales/disposals	-		-	(331)	(331)
Balance as at 31 December 2011	-	**4,841**	-	**1,063**	**5,904**
Net book value as of 2011 December	**1,283**	**2,739**	**-**	**103**	**4,125**

The Company has not committed any tangible assets as security against its loan obligations.

Amounts in EUR thousand

6 Intangible assets

	Software	Total
12 month period to 31 December 2010		
Cost		
Balance as at 1 January 2010	**1,198**	**1,198**
Additions	15	15
Balance as at 31 December 2010	**1,213**	**12.13**
Accumulated depreciation		
Balance as at 1 January 2010	1,114	1.114
Amortization for the period	35	35
Balance as at 31 December 2010	**1,149**	**1.149**
Net book value as at 31 December 2010	**64**	**64**
Cost		
Balance as at 1 January 2011	**1.213**	**1.213**
Additions	33	33
Balance as at 31 December 2011	**1.246**	**1.246**
Accumulated depreciation		
Balance as at 1 January 2011	1.149	1.149
Amortization for the period	42	42
Balance as at 31 December 2011	**1.191**	**1.191**
Net book value as at 31 December 2011	**55**	**55**

7 Trade and other receivables

	31 December 2011	31 December 2010
Trade	8.335	6.418
Less: Provision for impairment of receivables	(53)	(53)
Net trade receivables	**8,282**	**6,365**
Other receivables	251	301
Total	**8,533**	**6,666**

The book values of the above receivables represent their fair values.

Other assets include receivables from personnel, withheld taxes and accrued expenses deferred.

The movement in provisions for impairment of trade receivables is as follows:

	31 December 2011	31 December 2010
Balance as at 1 January	53	-
Charges/(Credits) in income statement	-	53
Balance as at 31 December	53	53

The movement in provisions for doubtful debts has been recorded in the income statement as an administrative and distribution expense.

Amounts in EUR thousand

8 Cash and cash equivalents

	31 December 2011	31 December 2010
Cash available	60	245
Total liquid assets available	**60**	**245**

The weighted average current interest rate was:

Euro	31 December 2011	31 December 2010
	1,25%	1,25%

9 Share Capital

	Number of Shares	Share capital
31 December 2010	**171,300**	**5,027**
31 December 2011	**171,300**	**5,027**

The share capital of the Company is fully paid up and the shares have been issued and assigned to shareholders. The nominal value of one share in the Company is € 29.35 (31 December 2008: € 29.35) .

10 Reserves

	Statutory reserves	Untaxed reserves	Total
Balance as at 31st December 2010	**206**	**1.514**	**1.720**
Balance as at 31st December 2011	**206**	**1.514**	**1.720**

Statutory reserves

According to Greek law, companies are required to transfer at least 5% of annual net profits, according to their accounting books, to a statutory reserve until that reserve is equivalent to one third of their share capital. This reserve may not be distributed, but can be used to offset losses.

Untaxed reserves

Untaxed reserves include the following:

Profits untaxed under the applicable tax and institutional framework in force at the time.
If the distribution of profits will be taxable under the tax rate which will apply at the time of distribution to shareholders or their conversion to equity.
Partially taxable reserves taxed at a rate which is below the applicable effective rate in force at the time.
If the distribution of profits will be taxable under the tax rate which will apply at the time of distribution to shareholders or their conversion to equity.

11 Trade and other payables

	31 December 2011	31 December 2010
Trade payables	1,635	1,041
Accrued expenses	96	83
Other liabilities	701	513
Total	**2,432**	**1,637**

Other liabilities refer to obligations to insurance companies and other creditors.

Amounts in EUR thousand

12 Personnel retirement benefit liabilities

	31 December 2011	31 December 2010
Balance sheet liabilities for:	5,729	5,308
Retirement benefits		
Total	**5,729**	**5,308**

	31 December 2011	31 December 2010
Charges in the profit/loss statement:	560	773
Retirement benefits		
Total	**560**	**773**

The amounts recorded in the Balance Sheet have been determined as follows:

	31 December 2011	31 December 2010
Present value of non-financed liabilities	5,514	5,058
Unrecognized actuarial profits/(losses)	215	250
Unrecognized past service cost	-	-
Σύνολο	**5,729**	**5,308**

The amounts entered in the Income Statement are as follows:

	31 December 2011	31 December 2010
Current employment costs	312	374
Interest costs	223	323
Current profits / (losses)	-	24
Total	**535**	**721**
Additional voluntary redundancy plan expenses	25	52
Total included in personnel costs	**560**	**773**

The change in liabilities recorded in the balance sheet is as follows:

	31 December 2011	31 December 2010
Opening balance	5,308	4,747
Total expenses charged in the profit and loss statement	560	773
Contributions paid	(139)	(212)
Closing balance	**5,729**	**5,308**

The main actuarial assumptions used are as follows:

	31 December 2011	31 December 2010
Discount rate	4,5%	4,5%
Future salary increases	2,0%	2,0%
Average remaining working life	13 years	14 years

13 Other provisions and long-term liabilities

	31 December 2011	31 December 2010
Rent guarantees		4
Other provisions and liabilities	-	38
Closing balance	**-**	**42**

Other provisions

Amounts in EUR thousand

Other provisions and long-term liabilities relate to various operating expenses and provisions for risks arising from the normal operation of the Company.

14 Employee benefits

	Year ended 31 December 2011	31 December 2010
Wages and salaries	9,271	9,106
Payment of social insurance contributions	1,901	1,896
Payment of pension plan costs	341	303
Other employee benefits	161	171
Compensation under L. 2112/20	32	75
Less Manpower Employment Organization subsidies	(329)	(39)
Total	**11,377**	**11,512**

Other benefits include medical benefits and insurance, and provisions for training and further education.

15 Expenses by category

	Year ended 31 December 2011	31 December 2010
Personnel fees and expenses	11,706	11,551
Less Manpower Employment Organization subsidies	(329)	(39)
Provisions for employee compensation	528	698
Provisions for doubtful debts	-	53
Depreciation of tangible assets - PPE	431	421
Repair and maintenance costs for property, plant and equipment	136	147
Maintenance costs for intangible assets	164	160
Depreciation of intangible assets	42	35
Insurance Premiums	90	48
Operating lease rents	151	138
Travel/transport costs	298	175
Office stationery/printed items	45	52
Conference expenses and advertising	15	20
Other Professionals' Fees	3,338	3,125
Subcontractors	828	549
Recoverable expenses	80	60
Other Taxes/Duties	199	174
Miscellaneous expenses	30	43
Other	386	237
Total	**18,138**	**17,647**
Attributable to:		
Cost of goods sold	14,910	14,402
Administrative expenses	2,688	2.621
Distribution costs	540	624
	18,138	**17,647**

16 Other income/(expenses)

	Year ended 31 December 2011	31 December 2010
Income from subsidies	19	12
Services to third parties	17	4
Income from unused provisions	40	1
Income from leasing/rental	26	27
Total	**102**	**44**

Amounts in EUR thousand

17 Financial expenses (net)

	Year ended 31 December 2011	31 December 2010
Interest payments on outstanding debt		
Other financial expenses	(31)	(24)
	(31)	**(24)**
Interest receivable		
Income from interest	25	43
	25	**43**
Financial operating profits/(losses)	**(6)**	**19**

18 Taxes

	Year ended 31 December 2010	31 December 2010
Fiscal year taxes	(5)	(1)
Total	**(5)**	**(1)**

19 Cash flows generated from operating activities

	Notes	Year ended 31 December 2011	31 December 2010
Fiscal Period Profits/(Losses)		**13**	**522**
Depreciation and amortization of property, plant and equipment and intangible assets	**5 & 6**	472	456
Financial (income)/expenses	**19**	6	(19)
Provisions		421	561
		912	**1,520**
Changes in working capital			
(Increase) /decrease of trade and other receivables		(1,867)	(920)
Increase /(decrease) of payables		839	(680)
Other taxes	**18**	(5)	(1)
		(1,033)	**(1,601)**
Net cash flows generated from operating activities		**(121)**	**(81)**

20 Contingent liabilities and litigation

a) The Company is involved in various legal cases and has various outstanding matters pending in relation to the Company's ordinary course of business. Based on information available to date, management believes that the outcome of these cases will have no material effect on the Company's results or financial position, and therefore has made no provisions in this respect.

b) ASPROFOS S.A. has undergone tax audits up to and including the fiscal year 2004. ASPROFOS S.A. has not been audited by the taxation authorities for the fiscal years 2005 to 2011. The Management estimates that future audits will not lead to significant tax burdens.

c) An initial labor suit brought by 84 associates of the company (of whom 75 ultimately pursued it) seeking recognition of their contracts as contracts of indefinite duration, was heard on 9.6.06 by the Court of First Instance. On 15.1.2007 judgments 129 and 139/2007 were issued accepting their claims. The appeals against these decisions by the Company were, after postponement, to be heard on 26.05.2009 but by that time a settlement had been reached that eventually brought about the drafting of contracts of indefinite duration with the plaintiffs, and the hearing was canceled. 3 remain, of which one left the Company some years ago. After the cancellation of the hearing by the Court of Appeal there has as yet been no call to resume discussions. Even if the plaintiffs are ultimately vindicated and restored there will be no financial consequences for the company as the principal claim is solely and simply to have their contracts recognized as dependent employment contracts. In the event that the matter is raised again in the Court of Appeal the Company intends to exhaust all legal remedies available to it until the decision becomes final. According to the assessment of the legal department of the company, it is more than likely that the outcome of the case will be a positive one for the company, and consequently no provision has been made.

Amounts in EUR thousand

d) As of December 31, 2011 the Company has outstanding bank letters of guarantee for good performance of projects undertaken amounting to € 1,370 thousand.

21 Commitments and other contractual obligations

The sole contractual obligation to which the Company is committed is the financial leasing of 21 private passenger cars.

Future total lease payments due under operating leases are as follows:

TABLE

	31 December 2011	31 December 2010
Up to 1 year	58	60
From 1-5 years	232	-
Over 5 years	-	-
Total	**290**	**60**

The costs of leasing recorded in the income statement for the fiscal period were €75 thousand (€62 thousand for 2010).

22 Transactions with related parties

i. Sales of goods and services

	Year ended	
	31 December 2011	**31 December 2010**
Sales of services		
HELLENIC PETROLEUM SA	14,518	15,106
Other Group Companies	238	45
Other associated companies	2,247	2,582
	17,003	**17,733**

ii. Other balances for the fiscal periods arising from sales/purchases of goods/services

	Year ended	
Receivables from related parties:	**31 December 2011**	**31 December 2010**
Group companies—Other customers		
HELLENIC PETROLEUM SA	5,607	4,431
Other Group Companies	100	176
Other associated companies	1,457	1,298
Balance from related parties		
	7,164	**5,905**
The balance in respect of related parties includes a sum of €49 thousand receivable from Olympic Airways SA which has been impaired in its entirety.		
Payables to related parties:		
Group companies		
Balances to customers (advance payments)		
HELLENIC PETROLEUM SA	-	-
Trade balances		
HELLENIC PETROLEUM SA	695	440
Other associated companies		
Balance from related parties	-	-
	695	**440**
Net balance from related parties	**6,469**	**5,465**

Transactions with related parties are conducted under normal trading and commercial terms which the Company adopts for corresponding transactions with third parties (arm's length principle).

Transactions and balances with related companies concern the following:

a) The Company HELLENIC PETROLEUM S.A. and the subsidiary companies of the Hellenic Petroleum Group

b) Related parties under common control with the Group due to shareholdings and control rights of the Hellenic State:

- Public Power Corporation Hellas
- Olympic Airlines

c) Associated Companies of the Group which are consolidated under the equity method:

- Athens Airport Fuel Pipeline Company S.A. (EAKAA)
- Public Gas Corporation of Greece S.A. (DEPA)
- Hellenic Gas Transmission System Operator S.A. (DESFA)
- TransBalkan Pipeline B.V.
- HELPE - THRAKI

iii. Board of Directors' fees

The total remuneration of the Board during the fiscal year 2011 amounted to €387 thousand of which €269 thousand pertains to the salaries of the Chairman and Managing Director, and the employee representative.
Similarly, during the fiscal year 2010 fees totaled €475 thousand of which €246 thousand related to remuneration of the Managing Director and the employee representative as well as an additional €100 thousand, which represented compensation of former Managing Director.

23 Events occurring after the balance sheet date

At the Board of Directors' meeting No. 657/27.03.2012 an employee redundancy plan was agreed, within the scope of measures to reduce the Company's operating costs.

There are no other significant events occurring between the balance sheet date 31 December 2011 and the date of submission of this Report.