ASPROFOS ENGINEERING S.A.

Financial statements
in accordance with
the International Financial Reporting
Standards (IFRS)
for the fiscal year ended on 31 December 2010

ASPROFOS S.A.
COMPANY (S.A.) REGISTRATION No.: 4712/01 NT/B/86/654
REGISTERED OFFICES: 284, EL. VENIZELOU AVE, KALLITHEA, ATHENS 17675

Contents

	Page
Company Details:	**4**
Statement of Financial Position	**7**
Income statement	**8**
Statement of Changes in Equity	**9**
Cash flow statement	**10**
Notes on the financial statements	**11**
1 General information	**11**
2 Summary of Significant Accounting Policies	**12**
2.1 Basis of preparation of the Financial Statements	12
2.1.1. Changes in standards and interpretations	12
2.2 Foreign exchange conversions	18
2.3 Tangible assets – property, plant and equipment	19
2.4 Intangible assets	19
2.5 Impairment of non-financial assets	19
2.6 Financial Assets	20
2.7 Trade and other receivables	21
2.8 Cash and cash equivalents	21
2.9 Share capital	22
2.10 Borrowings	22
2.11 Current and deferred taxation	22
2.12 Employee benefits	22
2.13 Suppliers and other liabilities	23
2.14 Provisions	23
2.15 Recognition of revenues	24
2.16 Leasing	24
2.17 Distribution of dividends	24
3 Financial risk management	**24**
3.1 Financial risk factors	24
3.2 Determination of fair values	25
4 Significant accounting estimates and assumptions	**26**
5 Tangible fixed assets - property, plant and equipment	**27**
6 Intangible assets	**28**
7 Trade and other receivables	**29**
8 Cash and cash equivalents	**30**
9 Share capital	**30**
10 Reserves	**31**
11 Suppliers and other liabilities	**31**
12 Deferred taxation	**32**
13 Personnel retirement benefit liabilities	**33**
14 Other provisions and long-term liabilities	**34**
15 Employee benefits	**34**

16 Turnover 35
17 Expenses by category 35
18 Other income/(expenses) 36
19 Financial expenses -net 36
20 Taxes 36
21 Cash flows generated from operating activities 37
22 Contingent liabilities and litigation 38
23 Commitments and other contractual obligations 38
24 Transactions with related parties 38
25 Post balance sheet events 40

Company Details:

Board of Directors: Aristides Vakirlis, Chairman & Managing Director (since 24/03/2010)

Diamantis Vachtsiavanos, BoD Chairman (until 23-03.2010)
Sotirios Zoganas, Vice-chairman (until 23-03-2010)
Stylianos Diamantidis, Managing Director (until 23-03-2010)
Stamatios Folas, member (until 23-03-2010)
Nikolaos Skandalis, member (Vice-chairman from 24-03-2010)
Sarantos Kyriakopoulos, member
Georgios Dimogiorgas, member
Alexandros Drakatos, member (until 23-03-2010)
Georgios Liannis, member (until 23-03-2010)
Antonios Trifyllis, member (from 24/03/2010)
Dionysios Routsis, member
Nikolaos Fragkakis, member (from 24-03-2010)
Haralambos Silamianos, member (until 24-03-2010)
Aristides Doudonis, member (until 24-03-2010)
Vasiliki Makrygianni, member (until 24-03-2010)
Sotirios Keranis, member (Employee Representative until 10-03-2010)
Ioannis Douros, member (Employee Representative from 11-03-2010)

Registered Offices: 284, El. Venizelou Ave, Athens 17675
SA Reg. No.: 4712/01NT/B/86/654
Audit Firm: PricewaterhouseCoopers LLP, Independent Auditors
268 152 32, Kifisias Avenue, Halandri, Athens, Greece

PriceWaterhouseCoopers SA
268 Kifissias Ave,152 32 Halandri
www.pwc.gr
e-mail :pwc.greece@gr.pwc.com Tel. :
30-210-6874 400
Fax: 30-210-6874 444
S.A. Reg.No. 30593/01AT/B/94/91/99

Audit report by Independent Auditor
To the Shareholders of the Company ASPROFOS ENGINEERING S.A.

Report on the Financial Statements

We have audited the attached financial statements of the Company ASPROFOS ENGINEERING S.A. comprising the statement of financial position as at 31st December 2010, as well as statement of comprehensive income, the statement of changes in equity and the cash flow statement of the fiscal year that ended on the above date, along with a summary of important accounting policies and other explanatory notes.

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 is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with International Auditing Standards. These standards require us to comply with the code of ethics, as well as plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

The audit involves performing procedures to obtain audit evidence, with regard to the amounts and disclosures in the financial statements. The procedures are selected at the auditor's discretion and include an assessment of the risk of material misstatement 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 accounting principles and methods used and the fairness of accounting estimates made by the management, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

Halandri: 268 Kifissias Ave, 268/270, 152 32 Halandri, Tel: +30-210-6874 400, Fax: +30-210-6874 444
Piraeus. 2 2as Merarchias Str., 185 35 Piraues, Tel: 30-210-4284 000, Fax: 30-210-4520 263
Thessaloniki: 17, Ethnikis Antistasis Street, Thessaloniki, 551 34, Tel: +30 2310 488880, Fax: +30 2310 459487

Opinion

In our opinion, the attached financial statements constitute a fair presentation, in all material aspects, of the financial position of the "ASPROFOS ENGINEERING S.A." as at 31st December 2010, and of its financial performance and its cash flows for the year that ended on the above date, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Issues

We have verified the agreement and reconciliation of the Board of Directors Report with the attached financial statements, in the context of the provisions of articles 43(a) and 37 of Codified Law 2190/1920.

Athens, 30 March 2011
THE CERTIFIED AUDITOR &
ACCOUNTANT

PriceWaterHouseCoopers
Audit Firm
268, Kifissias Avenue
152 32 Halandri,
Institute of Certified Public Accountants Reg. No. 113

Dimitrios Sourbis
SOEL REG. NO. 16891

Statement of Financial Position

ASSETS	Note	31 December 2010	31 December 2009
Fixed Assets			
Tangible assets – property, plant and equipment	**5**	4,530	4,845
Intangible assets	**6**	64	84
Other non-current receivables		10	10
		4,604	**4,939**
Current assets			
Trade and other receivables	**7**	6,666	5,746
Cash and cash equivalents	**8**	245	428
		6,911	**6,174**
Total Assets		**11,515**	**11,113**
EQUITY			
Share capital	**9**	5,027	5,027
Reserves	**10**	1,720	1,720
Results carried forward		(3,022)	(3,543)
Total equity		**3,725**	**3,204**
LIABILITIES			
Non-current liabilities			
Provisions for personnel retirement	**4- 3**	5,308	4,747
Provisions for other liabilities		42	42
		5,350	**4,789**
Short-term liabilities			
Suppliers and other liabilities	**11**	1,637	1,953
Taxes and other duties		803	1,167
		2,440	**3,120**
Total liabilities		**7,790**	**7,909**
Total Equity and Liabilities		**11,515**	**11,113**

The notes on pages 11 to 40 form an integral part of these financial statements.

Chairman of the BoD & Managing Director	FinanceDeputy Director & Administrative Services Director	of Finance & Administrative Services
Aristeidis Vakirlis	Efstsathios Stasinoulias	Sophocles Georgilas

Income statement

	Note	Year ended 31 December 2010	31 December 2009
Turnover (sales)	**16**	**18,106**	**19,603**
Cost of sales	**17**	(14,414)	(15,687)
Gross profit		**3,692**	**3,916**
Administration and distribution costs	**17**	(3,149)	(3,782)
Other operating costs/net income	**18**	83	57
Operating profit/(loss)		**526**	**191**
Financing (costs)/net income	**19**	19	(29)
Profit/ (loss) before tax		**545**	**162**
Taxes	**20**	(24)	(494)
Net profits/ (losses) for the fiscal period		**521**	**(332)**

The notes on pages 11 to 40 form an integral part of these financial statements.

Statement of Changes in Equity

	Note	Share capital	Reserves	Results carried forward	Total Total equity
Balance as at 1 January 2009		**5,027**	**1,720**	**(3,211)**	**3,536**
Net profits/ (losses) for the fiscal period		**-**	**-**	**(332)**	**(332)**
Balance as at 31 December 2009		**5,027**	**1,720**	**(3,543)**	**3,204**
Balance as at 1 January 2010		**5,027**	**1,720**	**(3,543)**	**3,204**
Net profits/ (losses) for the fiscal period		**-**	**-**	**521**	**521**
Balance as at 31 December 2010		**5,027**	**1,720**	**(3,022)**	**3,725**

The notes on pages 11 to 40 form an integral part of these financial statements.

Cash flow statement

	Note	Year ended 31 December 2010	31 December 2009
Cash flows generated from operating activities			
Cash flows generated from operating activities	**21**	(81)	571
		(81)	**571**
Cash flows from investment activities			
Purchases of tangible and intangible assets	**5.6**	(121)	(140)
Income from interest payments	**19**	43	20
Net cash flows from investment activities		**(78)**	**(120)**
Cash flows from financing activities			
Share capital increase			-
Interest paid	**19**	(24)	(49)
Repayments of long-term borrowings		-	(1,515)
Net Cash flows from financing activities		**(24)**	**(1,564)**
Net increase/(decrease) in cash and cash equivalents		**(183)**	**(1,113)**
Cash and cash equivalents at start of fiscal year	**8**	**428**	**1,541**
Net increase/(decrease) in cash and cash equivalents		(183)	(1,113)
Cash and cash equivalents at end of fiscal year	**8**	**245**	**428**

The notes on pages 11 to 40 form an integral part of these financial statements.

Notes on the financial statements

1 General information

ASPROFOS S.A. is a leading engineering company in Southeast Europe. 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.

Up to now, the core of the operations of ASPROFOS were the large investments of the Hellenic Petroleum S.A. Group in refineries and chemical plants, as well as the design/construction of the natural gas system of the Public Gas Corporation. At the same time, the Company has extended its activities, and it now undertakes third-party operations in Greece, and it tries to penetrate foreign markets, in Balkan and Middle East countries, as well as Libya and Cyprus. However, the greatest part of the company's turnover pertains to services to the parent company, HELLENIC PETROLEUM S.A. The company continues to present losses over the recent years, which means that the financial support of the parent company is required, in order to meet its cash needs. The Company's Management has ensured this financial support on the part of its shareholders, in order to meet its contractual liabilities As a consequence, the company has prepared these financial statements based on the going concern principle.

The accounting principles applied for the calculation and recognition of accounting figures are the same as those applied in the consolidated accounting statements of the Hellenic Petroleum Group as at 31 December 2010. The functional currency and the reporting currency of the Company is the Euro and the financial figures presented in these financial statements are expressed in thousands unless otherwise mentioned.

The Company is based in Greece, with registered offices at 284, El. Venizelou Str., Kallithea, 17675. The Company's website is at ***www.asprofos.gr.***

The Company's shares are registered. The Company's exclusive shareholder is HELLENIC PETROLEUM S.A.

These financial statements have been approved for issue by the Board of Directors on **29 March 2011.** The Company's Shareholders can amend the Financial Statements after 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 TECHNICAL COMPANY S.A. for the year ended on 31 December 2010, have been prepared in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board. The European Union has adopted all the IFRS for the years ended on 31 December 2010, with the exception of certain provisions of the IAS 39, which do not affect the present financial statements. Following that, the present financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as they have been adopted by the European Union and the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB).

The 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. 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.

Standards and Interpretations mandatory for the current fiscal year

IFRS 3 (Revised) 'Business Combinations' and IAS 27 (Amended), 'Consolidated and Separate Financial Statements'

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of costs related to acquisition and to recognition of subsequent changes in the fair value of a contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Furthermore, in each business combination, the acquiring party may account for any non-controlled interest in the acquired party either at fair value or at the proportional rate over such non-controlled interest of the net recognizable assets of the acquired party. This amendment does not apply for the Company.

IFRS 2 (Amendment) "Share-based Payment'
The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting methods governing for fees dependent on share values settled in cash appearing in consolidated or individual financial statements of the financial entity receiving goods or services, where the financial entity has no obligation to settle the share-based payments. This amendment does not apply for the Company.

IAS 39 (Amendment) "Financial instruments: Recognition and measurement"

This amendment clarifies how, in certain cases, the principles which determine whether hedging or a portion of cash flows fall within the hedge accounting scope of application. This amendment is not applicable to the Company as it does not apply hedge accounting in terms of IAS 39.

IFRIC 12 - "Service Concession Arrangements" (according to the adoption by the EU, applied for annual accounting periods starting on or after 30 March 2009)

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not applicable to the Company's operations.

IFRIC 15 - "Agreement for the Concession of Real Estate" (according to the adoption by the EU, applied for annual accounting periods starting on or after 1 January 2010)
This interpretation addresses the diversity in accounting for real estate sales. Some financial entities recognise the revenue subject to IAS 18 (i.e. when risks and benefits of real estate ownership are transferred), and others recognize the revenue depending on the real estate completion stage, in line with IAS 11. The interpretation clarifies which standard applies to each case. This interpretation is not applicable to the Company's operations.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" (according to the

adoption by the EU, applied for annual accounting periods starting on or after 1 July 2009)

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and wishes to qualify for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Company as the Company does not apply hedge accounting for any investment in a foreign operation.

IFRIC 17 "Distributions of non-cash assets to owners" (according to the adoption by the EU, applied for annual accounting periods starting on or after 1 July 2009)

This interpretation provides guidance on accounting treatment for the following types of nonreciprocal distributions of assets by a financial entity to its shareholders acting in their capacity as shareholders:a) distributions of non-cash assets, and b) distributions when the owners are given a choice of taking cash in lieu of the non-cash assets. The interpretation does not affect the Company's financial statements.

IFRIC 18 "Transfers of assets from customers" (according to the adoption by the EU, applied for annual accounting periods starting on or after 1 July 2009)

The interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, that the entity must then use either to provide the customer with ongoing access to a supply of goods or services. In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property. This interpretation is not applicable to the Company's operations.

Amendments to standards that form part of the IASB's annual improvements project for 2009.

The amendments set out below describe the key changes to IFRSs following the publication in April 2009 of the results of the IASB's annual improvements project. The following amendment apply for the current fiscal use. Also, if not otherwise stated, these amendments do not have a material impact on the Company's financial statements.

IFRS 2 "Share-based Payment"

The amendment confirms that the contributions made by a business entity for the establishment of a joint venture and the transactions of joint control are not subject to the scope of IFRS 2.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies the disclosures required for non-current assets held for sale or discontinued operations.

IFRS 8 "Operating Segments"

The amendment clarifies the disclosure of information relating to a segment's assets.

IAS 1 "Presentation of Financial Statements"

The amendment clarifies that a possible settlement of a liability through the issue of equity instruments is irrelevant to its classification as current or non-current asset.

IAS 7 "Cash Flow Statements"

The amendment requires that only expenditures resulting in a recognized asset in the statement of financial position can be classified as investment activities.

IAS 17 "Leases"

The amendment provides clarifications on the classification of a lease of land and buildings as financial or operating leases.

IAS 18 "Revenue"

The amendment provides additional guidance for determining whether the financial entity is acting as a principal or as an agent.

IAS 36 "Impairment of Assets"

The amendment clarifies that the largest cash-generating unit to which goodwill must be allocated for impairment auditing purposes is an operating segment in accordance with paragraph 5 of IFRS 8 (i.e. before aggregation of segments).

IAS 38 "Intangible Assets"

The amendments (a) clarify the requirements, in accordance with IFRS 3 (amended), relating to accounting for intangible assets acquired in a business combination, and (b) describe the measurement methods that are widely used by financial entities to measure the fair value of intangible assets that are acquired in a business combination and are not traded in active markets.

IAS 39 "Financial instruments: Recognition and measurement"

The amendments pertain to (a) clarifications on how to deal with penalties/fines resulting from the repayment of loans as derivatives linked to the main contract, (b) the scope of exemption for business combination contracts, and (c) clarifications that the gains or losses from hedge accounting made for the cash flow from a forecasted transaction must be reclassified from equity to profit or loss in the period that the hedged forecast cash flow affects profit or loss.

IFRIC 9 "Reassessment of Embedded Derivatives"

The amendment clarifies that IFRIC 9 will not apply to a possible reassessment, at the date of acquisition, of embedded derivatives in contracts acquired in combinations of entities or businesses under common control.

IFRIC 16 "Hedges of a net investment in a foreign operation"

The amendment states that, in hedging of a net investment in a foreign operation, appropriate hedging instrument(s) may be held by any financial entity or entities within the group, including the foreign operation itself, if certain conditions are met.

Standards and Interpretations mandatorily effective for fiscal periods starting 1 January 2011 or later.

IFRS 9 "Financial Instruments" (effective for annual accounting periods beginning on or after 1 January 2013)
IFRS 9 is the first step in the project undertaken by IASB (International Accounting Standards Board) to replace IAS 39. IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. Under IFRS 9, all financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, specific transaction costs. Subsequent measurement of financial assets is done either at amortized cost or at fair value depending on the model used by the financial entity for the management of the financial assets and the contractual cash flows of the financial asset. IFRS 9 forbids reclassifications, except for rare cases where the financial entity's business model changes; in that particular event, the entity must reclassify the affected financial assets prospectively. Under the principles set forth in IFRS 9, all equity investments must be measured at fair value. However, the management may elect to present the realized and unrealized fair value gains and losses from equity investments that are not held for trading in other comprehensive income. Such presentation is done at initial recognition for each separate financial instrument and is irrevocable. Fair value gains and losses are not subsequently transferred to profit and loss, whereas dividend income is still recognized in profit and loss. IFRS 9 dispenses with the exception of measurement at cost for unquoted equity investments and derivatives linked to unquoted equity investments, and guidance is provided to determine when the cost can be representative of fair value. The Company is currently in the process of evaluating 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. Following adoption, the Company will decide whether it will apply IFRS 9 earlier than 1 January 2013.

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”. According to IAS 12, the measurement of deferred taxation depends on how the entity is expected to recover its asset: through its use or through sale. Due to the difficulty and subjectivity of determining the manner of value recovery when the investment property is measured at fair value under IAS 40, this Amendment introduces the hypothesis that the investment property will be fully recovered through sale This hypothesis falls apart if the investment property is depreciated and forms part of a business model where the objective is to recover the financial benefits involved in the investment property through its use and not through sale. This hypothesis does not fall apart in case of land which constitutes investment property, because the value of land may be recovered only through sale. This amendment has not yet been endorsed by the European Union.

IAS 24 (Amended) “Related Party Disclosures” (effective for annual accounting periods beginning on or after 1 January 2011)

This amendment aims to reduce disclosures of transactions between government-related entities and to clarify related-party definition. In particular, it abolishes the obligation of public sector related parties to disclose details of all transactions with the public sector and other public sector related parties, it clarifies and simplifies the definition of “related-party” and requires disclosure not only of the relationships, transactions and balances between related parties but also commitments in both separate and consolidated financial statements. The Company will apply these changes from their effective date.

IAS 32 (Amendment) “Financial instruments: Presentation” (effective for annual accounting periods beginning on or after 1 February 2010)

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. The amendment is not expected to have an effect on its financial statements.

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 on 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. This amendment has not yet been endorsed by the European Union.

IFRIC 19 “Extinguishing Financial Liabilities” (effective for annual accounting periods beginning on or after 1 July 2010)

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 (Amended) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective for annual accounting periods beginning on or after 1 January 2011)

The amendments apply in limited cases: in particular when an entity is subject to minimum funding requirements (MRF) 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.

Amendments to standards that form part of the IASB's 2010 annual improvements programme.

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB's annual improvements project. The following amendments, if not otherwise stipulated, apply for the annual accounting periods that begin on or after 1st January 2011. Also, if not otherwise stated, these amendments are not expected to have a material impact on the Group's financial statements. The amendments have not yet been endorsed by the EU.

IFRS 3 "Business Combinations"

These amendments provide additional clarifications with regard 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 rewards under customer loyalty programmes.

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.

Changes in the fair value of securities in foreign currency that have been characterised as available for sale, are broken down into currency differences arising from the difference of the net value of the security and other changes arising from the book value. Foreign exchange differences are written off in the profit and loss statement whereas others are transferred directly to equity.

Foreign exchange differences in non-financial assets of assets and liabilities are included in profit or loss from the change in the fair value. Foreign exchange differences of non-financial assets of assets and liabilities, such as shares at fair value through profit and loss, are written off in profit and loss as part of the profit or loss from the change in the fair value. Foreign exchange differences from non-financial assets such as shares that are characterised as available for sale are recorded in the reserve from the fair value in equity.

2.3 Tangible assets – property, plant and equipment

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	Zero
-	Buildings	20 years
-	Vehicles (Passenger vehicles)	7years
-	Other equipment	5years

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 capitalised 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 recognised 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.

(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. Loans and receivables are included in the trade and other receivables account in the financial position statement.

(c) Financial assets held to maturity

Includes non-derivative financial assets with fixed or determinable payments with fixed maturity, which the Company's management intends and can hold to their maturity. In case of sale of even part of them (unless it is an insignificant amount) then the whole category will become tainted and must be reclassified in available for sale.

(d) Available-for-sale financial assets

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.

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.

2.7 Trade and other receivables

Trade receivables, which have in general a 30-90 day credit, 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 recognised 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 recognised 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 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. They are later estimated at undepreciated cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has a final right to defer settlement for at least 12 months after the balance sheet date.

Bank overdrafts are included in the banking short-term borrowing, short-term liabilities of the balance sheet and the cash flow statement.

2.11 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 recognised 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.

2.12 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 recognised as personnel expenses when due. Prepaid contributions are recognised 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 recognises 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.

2.13 Suppliers and other liabilities

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.

2.14 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.

2.15 Recognition of revenues

Revenue is comprised of the fair value of sales of goods and services provided, net of Value Added Tax, customs duties, discounts and rebates. Revenue is recognised when there is a possibility that the financial benefits will flow into the Company. Revenue is recorded as follows:

(a) Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(b) 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.

2.16 Leasing

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases.. Finance leases are capitalised 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 apportioned between the reduction of the liability and the financial expenses so that a fixed rate is achieved on the residual financial liability. 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 recognised 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.

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 recognised in the income statement using the straight line method over the period of the lease.

2.17 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

Due to its operations, the company is exposed to various financial risks, such as commercial risks (including changes to exchange rates, interest rate, market prices), credit risk, liquidity risk, cash flow risk and fair value risk from interest rate changes. The Group’s general risk management program focuses on the non-predictability of financial markets and seeks to minimise any possible negative impact on the Group’s financial performance.

(a) Market risk

(i) Currency exchange risk

The Company is mainly active in Greece, and is not therefore exposed to significant currency exchange risk.

(b) Credit risk

The Company does not have significant accumulations of credit risk in customers outside the HELLENIC PETROLEUM Group. Its policies consists of ensuring that sales are made to customers with a proven creditworthiness.

(c) Liquidity risk

Liquidity risk arises from fluctuations in the workload, compared to the company's fixed expenses. The risk is addressed in cooperation with the parent company and in the framework of the business and financial planning.

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

The Company's operating revenues and cash flows are materially independent from changes on the prices of interest rates. The risk of interest rate changes primarily derives from long-term loans. Floating-rate loans expose the company to a cash flow risk Fixed-rate loans expose the company to fair value change risk.

3.2 Determination of fair values

The fair value of financial assets traded on active markets (e.g. derivatives, stocks, bonds, mutual funds), is determined from the published prices available at the balance sheet date.

The fair value of the financial assets not traded in active financial markets is determined using valuation techniques and estimates based on market data at the balance sheet date. Market prices or negotiator prices for similar assets are used for long-term borrowing. Other techniques, such as discounting future cash flows, are used to calculate the value of other financial assets. The fair value of the interest risk hedging transactions, is determined as the current value of future cash flows. The fair value of contracts in foreign currency is determined based on forward prices on the balance sheet date.

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.

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 recognises liabilities from anticipated tax audits based on estimates regarding whether additional taxes will be imposed. Where the final audit outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which this determination is made.

(b) Investment, financial asset and liability impairment estimate

The Company every year examines whether the goodwill has been impaired, in accordance with accounting practices. The recoverable amounts of the cash generating units have been determined based on the value in use. These calculations require the use of estimates.

5 Tangible fixed assets - property, plant and equipment

	Land	Buildings	Transportation equipment	Furniture & other equipment	Total
Cost					
Balance on 1 January 2009	**1,283**	**7,573**	**-**	**1,344**	**10,200**
Additions	**-**	**3**	**-**	**29**	**32**
Sales/disposals	**-**	**-**	**-**	**(3)**	**(3)**
Balance as at 31 December 2009	**1,283**	**7,576**	**-**	**1,370**	**10,229**
Accumulated depreciation					
Balance on 1 January 2009	**-**	**3,728**	**-**	**1,241**	**4,969**
Amortization for the period	**-**	**371**	**-**	**47**	**418**
Sales/disposals	**-**	**-**	**-**	**(3)**	**(3)**
Balance as at 31 December 2009	**-**	**4,099**	**-**	**1,285**	**5,384**
Net book value as at 31 December 2009	**1,283**	**3,477**	**-**	**85**	**4,845**

	Land	Buildings	Transportation equipment	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**

The Company has not committed any tangible assets as security against its loan obligations. The buildings and their proportion on the plot located in Kallithea, were subject to a finance lease, apart from 235m2 and 18 parking spaces, which are the property of the company. On 31/8/2009, the building came under the complete ownership of the company, according to deed number 52929/8-12-2009 drawn up by Notary Public M. Poulantza.

6 Intangible assets

12 months to 31	**Software**	**Total**
December 2009 Cost		
Balance on 1 January 2009	**1,090**	**1,090**
Additions	**108**	**108**
Balance as at 31 December 2009	**1,198**	**1,198**
Accumulated depreciation		
Balance on 1 January 2009	1,082	1,082
Amortization for the period	32	32
Balance as at 31 December 2009	**1,114**	**1,114**
Net book value as at 31 December 2009		
	84	**84**
Cost		
Balance as at 1 January 2010	**1,198**	**1,198**
Additions	15	15
Balance as at 31 December 2010	**1,213**	**1213**
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**

7 Trade and other receivables

	31 December 2010	31 December 2009
Clients	6,418	5,593
Less: Provision for impairment	(53)	-
Net trade receivables	**6,365**	**5,593**
Other receivables	301	153
Total	**6,666**	**5,746**

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 2010	31 December 2009
Balance as at 1 January	0	0
Charges/(Credits) in income statement:	53	0
Balance as at 31 December	53	0

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

8 Cash and cash equivalents

	31 December 2010	31 December 2009
Cash available	245	428
Total liquid assets available	**245**	**428**

The weighted average current interest rate was:

	31 December 2010	31 December 2009
Euro	1.25%	1.25%

9 Share Capital

	Number of Shares	Share capital
31 December 2009	**171,300**	**5,027**
31 December 2010	**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 reserve	Untaxed reserves	Total
Balance as at 31st December 2009	**206**	**1,514**	**1,720**
Balance as at 31st December 2010	**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 Suppliers and other liabilities

	31 December 2010	31 December 2009
Suppliers	1,041	1,257
Accrued expenses	83	141
Other liabilities	513	555
Total	**1,637**	**1,953**

12 Deferred taxation

Deferred tax receivables and liabilities are compensated when there is an applicable legal right to compensate the current tax receivables against the current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

	31 December 2010	31 December 2009
Opening balance	-	-
Income statement debit (Note 21)	-	-
Closing balance	**-**	**-**

Changes to deferred tax receivables and liabilities during the year, are the following:

	31 December 2010	31 December 2009
Tangible and intangible assets	(796)	(856)
Employee benefit provisions	1,062	949
Financial Leases	-	-
Provisions	-	-
Balance of receivable/(liability) of end of year	**266**	**93**
Deferred tax liabilities:	**(796)**	**(856)**
Deferred tax receivables:	**1,062**	**949**

The deferred tax receivable does not appear in the balance sheet because it does not seem probable that there will be taxable profits in the next years adequate to offset the overall tax loss.

13 Personnel retirement benefit liabilities

	31 December 2010	31 December 2009
Balance sheet liabilities for:		
Retirement benefits	5,308	4,747
Total	**5,308**	**4,747**

	31 December 2010	31 December 2009
Charges in the profit/loss statement:		
Retirement benefits	773	1,104
Total	**773**	**1,104**

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

	31 December 2010	31 December 2009
Present value of non-financed liabilities Unrecognized	5,058	5,632
actuarial profits/(losses)	250	(885)
Unrecognized past service cost	-	-
Total	**5,308**	**4,747**

The amounts entered in the Income Statement are as follows:

	31 December 2010	31 December 2009
Current employment costs	374	308
Interest costs	323	313
Current profits / (losses)	24	32
Total	**721**	**653**
Additional voluntary redundancy plan expenses	52	451
Total included in personnel costs	**773**	**1,104**

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

	31 December 2010	31 December 2009
Opening balance	4,747	4,505
Total expenses charged in the profit and loss statement	773	1,104
Contributions paid	(212)	(862)
Closing balance	**5,308**	**4,747**

The main actuarial assumptions used are as follows:

	31 December 2010	31 December 2009
Discount rate	4.5%	5.80%
Future salary increases	2.0%	4.50%
Average remaining working life	13.87 years	13.27 years

14 Other provisions and long-term liabilities

	31 December 2010	31 December 2009
Rent guarantees	4	4
Other provisions and liabilities	38	38
Closing balance	42	42

Other provisions

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

15 Employee benefits	**Year ended**	
	31 December 2010	**31 December 2009**
Wages and salaries	9,106	7,808
Payment of social insurance contributions	1,896	1,584
Retirement cost of plans	303	270
Other employee benefits	171	163
Compensation under L. 2112/20	75	484
Total	**11,551**	**10,309**

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

16 Turnover

	Year ended 31 December 2010	31 December 2009
From service provision	18,106	19,603
Total	**18,106**	**19,603**

17 Expenses by category

	Year ended 31 December 2010	31 December 2009
Personnel fees and expenses	11,551	10,309
Provisions for employee compensation	698	621
Provisions for doubtful debts	53	-
Depreciation of tangible assets - PPE	421	418
Repair and maintenance costs for property, plant and equipment	147	102
Maintenance costs for intangible assets	160	156
Depreciation of intangible assets	35	31
Insurance Premiums	48	73
Operating lease rents	138	131
Travel/transport costs	175	209
Office stationery/printed items	52	62
Conference expenses and advertising	20	17
Other Professionals’ Fees	3,125	5,201
Subcontractors	549	1,093
Recoverable expenses	60	69
Other Taxes/Duties	151	175
Miscellaneous expenses	43	561
Other	237	241
Total	**17,663**	**19,469**
Attributable to:		
Cost of goods sold	14,414	15,687
Administrative expenses	2,624	2,891
Distribution costs	625	891
	17,663	**19,469**

18 Other income/(expenses)

	Year ended	
	31 December 2010	**31 December 2009**
Income from subsidies	51	6
Services to third parties	4	5
Income from unused provisions	1	23
Income from leasing/rental	27	23
Total	**83**	**57**

19 Financial expenses (net)

	Year ended	
	31 December 2010	**31 December 2009**
Interest payments on outstanding debt		
Financial Leases	-	(22)
Other financial expenses	(24)	(27)
	(24)	**(49)**
Interest receivable	43	20
Interest income		
	43	**20**
Financial operating profits/(losses)	**19**	**(29)**

20 Taxes

	Year ended	
	31 December 2010	**31 December 2009**
Fiscal year taxes	(24)	(106)
Deferred tax (Note 13)	-	-
Total	**(24)**	**(106)**

The year's tax for the company arises as follows:

	31 December 2010	31 December 2009
Large property tax	(23)	(49)
Other	(1)	(57)
Prior period tax audit adjustments*	-	(388)
Deferred tax	-	-
	(24)	(494)

* A statutory tax audit was completed for years 2003-2004, from which accounting differences emerged, which a corresponding tax of €388 thousand.

21 Cash flows generated from operating activities

	Note	Year ended 31 December 2010	31 December 2009
Fiscal Period Profits/(Losses)		**545**	**162**
Depreciation of PPE	**5.6**	456	449
Financial (income)/expenses	**19**	(19)	29
Provisions		561	242
Gains from sale of fixed assets		-	-
		1,543	**882**
Changes in working capital			
(Increase) /decrease of trade and other receivables		(920)	(1,004)
Increase /(decrease) of payables		(680)	1,187
Tax paid	**20**	(24)	(494)
		(1,624)	**(311)**
Net cash flows from operating activities		**(81)**	**571**

22 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 been tax audited for the periods up to 2004 inclusive ASPROFOS S.A. has not been subjected to a tax audit for fiscal years 2005 through 2010. Management estimates that there will be no significant tax encumbrances from future audits.

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.

d) As of December 31, 2010 the Company has outstanding bank letters of guarantee for good performance of projects undertaken amounting to € 1,227 thousand.

23 Commitments and other contractual obligations

The most significant contractual obligation of the company was the finance lease of a building of offices and parking spaces, where the company's headquarters are located, on 284 El. Venizelou Street, Kallithea.

The lease ended in July of 2009. Detailed information of the financial lease appear in note 12.

24 Transactions with related parties 38

I. Sales of goods and services

	Year ended	
	31 December 2010	**31 December 2009**
Sales of services		
HELLENIC PETROLEUM SA	15,106	14,713
Other Group Companies	45	1,388
Other associated companies	2,582	2,879
	17,733	**18,980**

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

	Year ended	
	31 December 2010	**31 December 2009**
Receivables from related parties:		
Group companies		
- Client balance		
HELLENIC PETROLEUM SA	4,431	3,082
Other Group Companies	176	406
Other associated companies	1,298	1,258
- Balance from related parties		
	5,905	**4,746**

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	440	247
Other associated companies		
Balance from related parties	-	6
	440	**253**
Net balance from related parties	**5,465**	**4,493**

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 fees of the Board of Directors, 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.

Correspondingly, in year 2009 they amounted to €381 thousand of which an amount of €183 thousand concerns the payroll cost of the Managing Director and the employees' representative.

25 Post balance sheet events

There are no significant post-balance sheet events as at 31 December 2010.