MOTOR OIL (HELLAS)
CORINTH REFINERIES S.A.

Prefecture of Attica Registration Nr 1482/06/B/86/26
Headquarters: Irodou Attikou 12A – 151 24 Maroussi Attica

ANNUAL FINANCIAL REPORT
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2016

(According to the Law 3556/2007)

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March 2017

DECLARATION OF THE REPRESENTATIVES OF THE BOARD OF DIRECTORS OF "MOTOR OIL (HELLAS) CORINTH REFINERIES S.A."

Pursuant to the provisions of article 4 paragraph 2 item c of Law 3556/2007 we hereby declare that to the best of our knowledge:

A. The single and consolidated financial statements of "MOTOR OIL (HELLAS) S.A." (the Company) for the year ended December 31, 2016, which have been prepared in accordance with the applicable accounting standards, truly present the assets, the liabilities, the shareholders' equity and the statement of comprehensive income of the Company and the companies included in the consolidated financial statements taken as a total, and

B. The Board of Directors' annual report truly presents the course, the performance and the position of the Company and the companies included in the consolidated financial statements taken as a total, including the description of the most important risks and uncertainties they are facing.

Maroussi, March 10th, 2017

Chairman of the BoD and Managing Director	Vice Chairman	Deputy Managing Director and Chief Financial Officer
VARDIS J. VARDINOYANNIS	IOANNIS V. VARDINOYANNIS	PETROS T. TZANNETAKIS
I.D. No K 011385/1982	I.D. No AH 567603/2009	I.D. No R 591984/1994

REPORT OF THE BOARD OF DIRECTORS
(ACCORDING TO ARTICLE 4 OF THE LAW 3556/2007)
ON THE FINANCIAL STATEMENTS OF
"MOTOR OIL (HELLAS) CORINTH REFINERIES S.A."
AND THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2016
(PERIOD 01.01.2016 – 31.12.2016)

I. REVIEW OF OPERATIONS

The **Group** financial figures for the fiscal year 2016 compared to the fiscal year 2015 are presented hereunder:

			Variation	
Amounts in thousand Euros	**2016**	**2015**	**Amount**	**%**
Turnover (Sales)	6,356,855	7,060,215	(703,360)	(9.96%)
Less: Cost of Sales (before depreciation)	5,552,600	6,346,495	(793,895)	(12.51%)
Gross Profit (before depreciation)	**804,255**	**713,720**	**90,535**	**12.68%**
Less: Selling Expenses (before depreciation)	199,842	189,634	10,208	5.38%
Less: Administrative Expenses (before depreciation)	58,107	53,970	4,137	7.67%
Plus / (Less): Other Operating Income/(Expenses)	57,189	21,938	35,251	160.68%
Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)	**603,495***	**492,054***	**111,441**	**22.65%**
Plus: Investment Income / share of profits (losses) in associates	3,977	(1,200)	5,177	(431.42%)
Less : Financial Expenses	80,245	87,714	(7,469)	(8.52%)
Earnings before Depreciation and Tax	**527,227**	**403,140**	**124,087**	**30.78%**
Less: Depreciation	98,467	100,292	(1,825)	(1.82%)
Earnings before Tax	**428,760**	**302,848**	**125,912**	**41.58%**
Less: Income Tax	130,915	97,871	33,044	33.76%
Earnings after Tax	**297,845**	**204,977**	**92,868**	**45.31%**
Less: Non-controlling interests	**(322)**	**163**	**(485)**	**(297.55%)**
Earnings after Tax and after non-controlling interests	**298,167**	**204,814**	**93,353**	**45.58%**

(*) Includes government grants amortization of Euro 1,070 thousand for the year 2016 and Euro 1,156 thousand for the year 2015.

The respective **Company** financial figures for the fiscal year 2016 compared to the fiscal year 2015 are presented hereunder:

Amounts in thousand Euros	2016	2015	Variation Amount	Variation %
Turnover (Sales)	4,511,920	5,276,468	(764,548)	(14.49%)
Less: Cost of Sales (before depreciation)	3,971,455	4,791,875	(820,420)	(17.12%)
Gross Profit (before depreciation)	**540,465**	**484,593**	**55,872**	**11.53%**
Less: Selling Expenses (before depreciation)	39,633	41,693	(2,060)	(4.94%)
Less: Administrative Expenses (before depreciation)	30,669	27,678	2,991	10.81%
Plus / (Less): Other Operating Income/(Expenses)	52,691	15,573	37,118	238.35%
Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)	**522,854***	**430,795***	**92,059**	**21.37%**
Plus: Investment Income	2,005	2,151	(146)	(6.79%)
Less : Financial Expenses	56,985	64,548	(7,563)	(11.72%)
Earnings before Depreciation and Tax	**467,874**	**368,398**	**99,476**	**27.00%**
Less: Depreciation	75,070	76,600	(1,530)	(2.00%)
Earnings before Tax	**392,804**	**291,798**	**101,006**	**34.62%**
Less: Income Tax	118,164	90,694	27,470	30.29%
Earnings after Tax	**274,640**	**201,104**	**73,536**	**36.57%**

(*) Includes government grants amortization of Euro 1,070 thousand for the year 2016 and Euro 1,070 thousand for the year 2015.

On the financial figures presented above we hereby note the following:

1. Turnover (Sales)

In principle, the turnover increase or decrease of oil refining and trading companies is mainly a combination of the following factors:

a) Volume of Sales
b) Crude Oil and Petroleum Product Prices, and
c) Euro / US Dollar parity.

The **industrial activity (refining)** concerns sales of products produced in the refinery of the parent company while the **trading activity** concerns sales generated as a result of imports of finished products from the international market and their subsequent resale to customers in the domestic market and abroad. The Group has the flexibility to take full advantage of the favorable market conditions in the oil sector, whenever these arise, and it is in a position to respond to any exceptional or unpredictable conditions meeting the demand in the domestic and the international market with imports of products.

The breakdown of **Group** turnover by geographical market (Domestic – Foreign) and type of activity (Refining – Trading) as well as sales category in Metric Tons–Euros is presented hereunder:

	Metric Tons			Amounts in thousand Euros		
Geographical market and Type of Activity	**2016**	**2015**	**Variation %**	**2016**	**2015**	**Variation %**
Foreign						
Refining/Fuels	8,205,165	8,239,826	(0.42%)	2,526,940	3,125,445	(19.15%)
Refining/Lubricants	232,500	250,013	(7.00%)	120,811	145,197	(16.80%)
Trading/Fuels etc.	991,174	433,887	128.44%	360,191	229,071	57.24%
Total Foreign Sales	**9,428,839**	**8,923,726**	**5.66%**	**3,007,942**	**3,499,713**	**(14.05%)**
Domestic						
Refining/Fuels	2,143,785	2,251,920	(4.80%)	924,848	1,132,137	(18.31%)
Refining/Lubricants	70,757	61,015	15.97%	48,745	49,958	(2.43%)
Trading/Fuels etc.	1,439,153	1,330,750	8.15%	1,998,738	1,929,624	3.58%
Total Domestic Sales	**3,653,695**	**3,643,685**	**0.27%**	**2,972,331**	**3,111,719**	**(4.48%)**
Bunkering						
Refining/Fuels	833,392	871,627	(4.39%)	261,955	340,425	(23.05%)
Refining/Lubricants	10,915	9,353	16.70%	13,421	12,227	9.77%
Trading/Fuels etc.	214,447	167,284	28.19%	91,824	86,149	6.59%
Total Bunkering Sales	**1,058,754**	**1,048,264**	**1.00%**	**367,200**	**438,801**	**(16.32%)**
Rendering of Services				**9,382**	**9,982**	**(6.01%)**
Total Sales	**14,141,288**	**13,615,675**	**3.86%**	**6,356,855**	**7,060,215**	**(9.96%)**

In the fiscal 2016 the turnover of the Group decreased in value by Euro 703.4 million or 9.96% compared to the previous fiscal year. The decrease of the turnover of the Group is attributed to the decline of the average prices of petroleum products (denominated in US Dollars) by approximately 18% while part of the decrease was offset by the increase of the sales volume by 3.86% (from MT 13,615,675 in 2015 to MT 14,141,288 in 2016) and the marginal appreciation of the US Dollar against the Euro (average parity) by 0.23%.

Both in the fiscal 2016 and the fiscal 2015 the Group had revenues for services (storage fees) rendered by "OFC AVIATION FUEL SERVICES S.A.".

The breakdown of the consolidated sales volume confirms the solid exporting profile of the Group given that export and bunkering sales combined accounted for 74.16% of the aggregate sales volume of fiscal 2016 compared to 73.24% in the fiscal 2015, as well as the high contribution of refining activities (81.30% of the aggregate sales volume of fiscal 2016 compared to 85.81% in fiscal 2015).

The respective breakdown of **Company** turnover is presented hereunder:

	Metric Tons			Amounts in thousand Euros		
Geographical market and Type of Activity	**2016**	**2015**	**Variation %**	**2016**	**2015**	**Variation %**
Foreign						
Refining/Fuels	8,205,165	8,239,826	(0.42%)	2,526,940	3,125,445	(19.15%)
Refining/Lubricants	223,605	246,822	(9.41%)	110,729	140,953	(21.44%)
Trading/Fuels etc.	810,418	276,193	193.42%	304,944	146,910	107.57%
Total Foreign Sales	**9,239,188**	**8,762,841**	**5.44%**	**2,942,613**	**3,413,308**	**(13.79%)**
Domestic						
Refining/Fuels	2,143,785	2,251,920	(4.80%)	924,848	1,132,137	(18.31%)
Refining/Lubricants	38,626	32,938	17.27%	23,482	24,731	(5.05%)
Trading/Fuels etc.	737,547	790,310	(6.68%)	279,913	294,784	(5.04%)
Total Domestic Sales	**2,919,958**	**3,075,168**	**(5.05%)**	**1,228,243**	**1,451,652**	**(15.39%)**
Bunkering						
Refining/Fuels	833,392	871,627	(4.39%)	261,955	340,425	(23.05%)
Refining/Lubricants	3,997	3,644	9.69%	4,225	4,507	(6.26%)
Trading/Fuels etc.	183,379	139,187	31.75%	74,884	66,576	12.48%
Total Bunkering Sales	**1,020,768**	**1,014,458**	**0.62%**	**341,064**	**411,508**	**(17.12%)**
Total Sales	**13,179,914**	**12,852,467**	**2.55%**	**4,511,920**	**5,276,468**	**(14.49%)**

In the fiscal 2016 the turnover of the Company amounted to Euro 4,511.9 million from Euro 5,276.5 million in 2015 which represents a decrease of 14.49%. This development of the turnover of the Company is attributed to the impact of the same parameters which influenced the development of the turnover at Group level and which have already been mentioned.

The breakdown of the Company sales volume confirms the solid exporting profile of the Refinery given that export and bunkering sales combined accounted for 77.85 % of the aggregate sales volume of the fiscal 2016 compared to 76.07% in the fiscal 2015, as well as the high contribution of refining activities (86.86% of the aggregate sales volume of the fiscal 2016 compared to 90.62% in the fiscal 2015).

It should be noted that during the period May – June 2016 a programmed turnaround of the Refinery process units was performed (reference is made in the section "Capital Expenditure") which explains the relatively lower contribution of the refining activities on the aggregate volume of sales in the fiscal 2016 compared to the fiscal 2015.

The international average prices of petroleum products (in US Dollars per Metric Ton) and the international average prices of the various types of crude (in US Dollars per barrel) during the period 2015 – 2016 are presented hereunder:

International Average Petroleum Product Prices (US Dollars / M T)	2016	2015
Naphtha	370	438
Unleaded Gasoline	461	566
Jet Kero / A1 (Aviation Fuels)	409	503
Automotive Diesel	397	498
Heating Gasoil	388	482
Fuel Oil 1%	222	268
Fuel Oil 3.5%	207	247

International Average Crude Oil Prices (US Dollars / bbl)	2016	2015
Dated Brent	43.39	52.05
Arab Light, fob	41.43	50.83
Urals, cif Med	42.39	51.91
Es Sider, fob	42.05	50.67

The development of the sales of the **Company** per product as well as the Refinery production per product (both in thousand Metric Tons) during the period 2015 – 2016 has as follows:

Sales per Product	Thousand MT 2016	Thousand MT 2015
Asphalt	385	588
Fuel Oil	3,337	3,493
Diesel (Automotive – Heating)	4,715	4,259
Jet Fuel	1,408	1,449
Gasoline	2,216	2,218
LPG	201	188
Lubricants	269	288
Other	511	369
Total (Products)	13,042	12,852
Crude Sales	138	0
Total	**13,180**	**12,852**

Refinery Production per Product	Thousand MT 2016	Thousand MT 2015
Lubricants	224	244
LPG	180	172
Gasoline	1,740	1,717
Jet Fuel	1,190	1,207
Diesel (Automotive – Heating)	4,193	4,217
Naphtha	372	319
Semi-finished products	57	59
Special Products	487	706
Fuel Oil	3,062	3,131
TOTAL	**11,505**	**11,772**

A breakdown of the aggregate volume of crude oil and other raw materials processed by the **Company** during fiscal 2016 compared to the respective volume processed during fiscal 2015 is presented next:

Refinery Processed Volume	MT 2016	MT 2015
Crude	8,962,136	9,133,771
Fuel Oil raw material	1,151,720	1,495,497
Gas Oil	1,839,719	1,637,260
Other	112,601	129,305
Total	**12,066,177**	**12,395,833**

It is apparent that the difference between the refinery processed volume and the refinery production volume concerns fuel consumption and loss. The lower production of the Refinery and the lower volume of crude oil and other raw materials processed by the Company in the fiscal 2016 compared to the fiscal 2015 is attributed to the programmed turnaround of the Refinery process units.

2. Cost of Sales (before Depreciation) – Gross Profit

The Gross Profit (before depreciation) at **Group** level amounted to Euro 804,255 thousand in the fiscal 2016 compared to Euro 713,720 thousand in the previous fiscal year demonstrating an increase of 12.68%.

This development is attributed to the fact that the Cost of Sales (before depreciation) at consolidated level decreased at a significantly higher rate compared to the respective decrease rate of consolidated Turnover (12.51% versus 9.96%).

The breakdown of the Cost of Sales at consolidated level per type of activity (refining–trading–services) is presented hereunder:

Amounts in thousand Euros	2016	2015
Refining	3,398,557	4,123,263
Trading	2,149,572	2,219,064
Services	4,471	4,168
Total Cost of Sales (before depreciation)	**5,552,600**	**6,346,495**

The Gross Profit (before depreciation) at **Company** level amounted to Euro 540,465 thousand in the fiscal 2016 compared to Euro 484,593 thousand in the previous fiscal year representing an increase of 11.53%.

This development is attributed to the fact that the Cost of Sales (before depreciation) at Company level decreased at a significantly higher rate compared to the respective decrease rate of Company Turnover (17.12% versus 14.49%).

It is clarified the Gross Profit of the Company increased further in the fiscal 2016 subsequent to its sizeable increase in the fiscal 2015 on the back of the strong refining margins (the table presents the development of the Company Profit Margin in USD per Metric Ton for the fiscal years 2016 and 2015), the firmly strong USD against the Euro (average Euro/USD parity 2016: 1.1069 – 2015: 1.1095) and the positive impact of the inventory valuation (indicatively the price of Brent from USD 35.74/bbl on 31.12.2015 escalated to USD 54.94/bbl on 31.12.2016).

Gross Profit Margin (US Dollars / Metric Ton)	2016	2015
Company Blended Profit Margin	57.1	52.7

3. Operating Expenses (before depreciation) (Administrative and Selling)

In the fiscal 2016 the operating expenses (administrative and selling) at **Group** level increased by Euro 14,345 thousand or 5.89% and at **Company** level by Euro 931 thousand or 1.34% compared to the fiscal 2015.

4. Other Operating Income (Expenses)

Other Operating Income (Expenses) is distinguished in two classes:

- Foreign exchange gain or loss corresponding to the net difference during each fiscal year between receivables and payables at Group and Company level denominated in foreign currency
- Other operating revenue relating mainly to storage rentals from third parties as well as income from the usage of the Truck Loading Terminal of the Refinery. The Company has invested and continues to invest significant funds in the construction of storage tanks (please see section "Capital Expenditure").

In the fiscal 2016 the **Group** recorded foreign exchange gains of Euro 21,942 thousand compared to foreign exchange losses of Euro 19,497 thousand in the fiscal 2015.

Likewise the **Company** recorded foreign exchange gains of Euro 21,175 thousand in 2016 compared to foreign exchange losses of Euro 19,561 thousand in 2015.

It should be noted that at operational level, the Company has chosen to deal with the issue of the movement of the Euro – US Dollar parity by funding its receivables with similar foreign currency exposure liabilities (reference is made in the section "foreign currency risk").

As regards other operating revenue, apart from foreign exchange differences that is, at **Group** level it amounted to Euro 35,247 thousand in the fiscal 2016 compared to Euro 41,435 thousand in the fiscal 2015 while at **Company** level it amounted to Euro 31,516 thousand in the fiscal 2016 compared to Euro 35,134 thousand in the fiscal 2015.

5. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

Subsequent to the above developments at Gross Margin level and at Operating Income & Expenses level, the EBITDA of the **Group** came in at Euro 603,495 thousand in the fiscal 2016 from Euro 492,054 thousand in the fiscal 2015 (an increase of 22.65%) while the EBITDA of the **Company** came in at Euro 522,854 thousand in the fiscal 2016 from Euro 430,795 thousand in the fiscal 2015 (an increase of 21.37%).

6. Income from Investments – Financial Expenses

The financial cost at **Group** level came in at Euro 76,268 thousand in the fiscal 2016 compared to Euro 88,914 thousand in the fiscal 2015 reduced by Euro 12,646 thousand or 14.22%. A breakdown of this variation is presented in the table below:

			Variation	
Amounts in thousand Euros	**2016**	**2015**	**Amount**	**%**
(Profits)/losses from Associates	(2,452)	2,841	(5,293)	(186.30%)
Income from Participations and Investments	(213)	(135)	(78)	57.78%
Interest Income	(1,312)	(1,506)	194	(12.88%)
Interest Expenses & bank charges	80,245	87,714	(7,469)	(8.52%)
Total Financial Cost – (income)/expenses	**76,268**	**88,914**	**(12,646)**	**(14.22%)**

For the fiscal 2016 the amount of Euro 2,452 thousand (Profits from Associates) relates to the Group's share on the financial results of the companies M and M NATURAL GAS A.E., KORINTHOS POWER S.A., SHELL & MOH AVIATION FUELS S.A., NUR-MOH, and RHODES –

ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A. consolidated under the Net Equity method.

For the fiscal 2015 the amount of Euro 2,841 thousand (Losses from Associates) relates to the Group's share on the financial results of the companies M and M NATURAL GAS A.E., KORINTHOS POWER S.A., SHELL & MOH AVIATION FUELS S.A. and RHODES – ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A. consolidated under the Net Equity method.

For the fiscal year 2016 the amount of Euro 213 thousand (Income from Participations and Investments) relates to the dividend collected from the fiscal year 2015 earnings of the company ATHENS AIRPORT FUEL PIPELINE COMPANY S.A. while for the fiscal year 2015 the amount of Euro 135 thousand relates to the dividend collected from the fiscal year 2014 earnings of the same company.

The financial cost at **Company** level came in at Euro 54,980 thousand compared to Euro 62,397 thousand a year earlier reduced by Euro 7,417 thousand or 11.89%. A breakdown of this variation is presented hereunder:

			Variation	
Amounts in thousand Euros	**2016**	**2015**	**Amount**	**%**
Income from Investments	(876)	(807)	(69)	8.55%
Interest Income	(1,129)	(1,344)	215	(16.00%)
Interest Expenses & bank charges	56,985	64,548	(7,563)	(11.72%)
Total Financial Cost – (income)/expense	**54,980**	**62,397**	**(7,417)**	**(11.89%)**

For the fiscal year 2016 the amount of Euro 876 thousand (Income from Investments) relates to the dividend collected from the fiscal year 2015 earnings of the companies OFC AVIATION FUEL SERVICES S.A. and ATHENS AIRPORT FUEL PIPELINE COMPANY S.A. while for the fiscal year 2015 the amount of Euro 807 thousand relates to the dividend collected from the fiscal year 2014 earnings of these two companies.

The decrease of interest expenses, both at consolidated and parent company level, is attributed mainly to the improvement of the relevant terms, which the Group is in a position to attain, as well as the reduction of bank debt.

7. Depreciation

The breakdown of the depreciation charge on the various cost accounts at **Group** level is presented in the next table:

Amounts in thousand Euros	**2016**	**2015**
Cost of Sales	77,292	79,002
Administrative Expenses	1,420	1,234
Selling Expenses	19,755	20,056
TOTAL DEPRECIATION	**98,467**	**100,292**

The respective breakdown of the depreciation charge on the various cost accounts at **Company** level is presented hereunder:

Amounts in thousand Euros	**2016**	**2015**
Cost of Sales	74,467	76,214
Administrative Expenses	540	352
Selling Expenses	63	34
TOTAL DEPRECIATION	**75,070**	**76,600**

8. Earnings before Tax

The Earnings before Tax of the **Group** amounted to Euro 428,760 thousand in the fiscal 2016 compared to Earnings before Tax of Euro 302,848 thousand in the fiscal 2015 (an increase of 41.58%).

The Earnings before tax of the **Company** amounted to Euro 392,804 thousand in the fiscal 2016 compared to Earnings before Tax of Euro 291,798 in the fiscal 2015 (an increase of 34.62%).

9. Income Tax

(In 000's Euros)	GROUP		COMPANY	
	1/1–31/12/16	1/1–31/12/15	1/1–31/12/16	1/1–31/12/15
Corporate tax for the period	124,280	67,788	112,393	61,148
Taxation of Reserves	3	0	0	0
Tax audit differences from prior years	466	1,337	0	0
	124,749	69,125	112,393	61,148
Deferred Tax on Comprehensive Income	6,166	28,746	5,771	29,545
Deferred Tax on Other Comprehensive Income	(447)	1,563	(472)	1,288
Deferred tax (note 23)	5,719	30,309	5,299	30,833
Total	**130,468**	**99,434**	**117,692**	**91,981**

The corporate tax rate for the fiscal years 2016 and 2015 is 29% pursuant to the Law 4334 (Government Gazette A' 80/16.07.2015) which was passed by the Greek Parliament in July 2015.

For the fiscal years 2011, 2012, 2013, 2014 and 2015, MOH group companies that were obliged to a tax compliance audit by the statutory auditors, have been audited by the appointed in accordance with the Codified Law 2190/1920 statutory auditors, as provided by article 82 of the Law 2238/1994 and article 65A of the Law 4174/13, who have issued the relevant Tax Compliance Certificates. In any case, and according to the Circular 1006/05.01.2016, these companies for which a Tax Compliance Certificate has been issued are not excluded from a further tax audit by the relevant tax authorities. Therefore, the tax authorities may perform a tax audit as well. However, the group's management believes that the outcome of such future audits, should these be performed, will not have a material impact on the financial position of the Group or the Company.Up to the date of approval of these financial statements, the group companies' tax audit by the statutory auditors for the fiscal year 2016 is in progress. No material liabilities are expected to arise from this tax audit.

10. Earnings after Tax

The Earnings after Tax of the **Group** amounted to Euro 297,845 thousand in the fiscal 2016 compared to Earnings after Tax Euro 204,977 thousand in the fiscal 2015 (an increase of 45.31%).

The Earnings after Tax of the **Company** amounted to Euro 274,640 thousand in the fiscal 2016 compared to Earnings after tax Euro 201,104 thousand in the fiscal 2015 (an increase of 36.57%).

II. SHARE PRICE DATA – DIVIDEND – DIVIDEND YIELD

The closing price of the share of MOTOR OIL on 31 December 2016 was Euro 13.10 which is 31.66% higher compared to the closing price on 31 December 2015. At its highest, the price of the share reached Euro 13.48 (29 October 2016) and at its lowest it stood at Euro 8.13 (11 February 2016). The Volume Weighted Average Price (VWAP) of the share was Euro 10.25 which corresponds to a market capitalization of the Company of Euro 1,135.5 million. The market capitalization of the Company as at 31 December 2016 amounted to Euro 1,451.3 million.

Compared to the Athens Exchange (ATHEX) the share of MOTOR OIL outperformed the ATHEX Composite Index by a significant margin considering that the close of the latter as at 31 December 2016 was 643.64 units which is 1.95% higher than its respective close on 31 December 2015.

An average of 117,603 Company shares were traded daily which represents 0.11% on the number of outstanding Company shares and 0.20% on the number of Company shares regarded as free float. The average daily turnover amounted to Euro 1,205,837.

During the year 2016 as a whole 29,283,138 Company shares were traded which represents 26.43% on the number of outstanding Company shares and 49.80% on the number of Company shares regarded as free float.

The management of the Company consistent with the dividend maximization policy of its shareholders will propose at the upcoming Annual Ordinary General Assembly of Company shareholders the distribution of an amount totaling Euro 99,704,682 (or Euro 0.90 per share) as a dividend for the fiscal year 2016. It is noted that in December 2016 an amount of Euro 22,156,596 (or Euro 0.20 per share) was paid and recognized as an interim dividend for the fiscal year 2016, while the dividend remainder of Euro 0.70 per share will be recognised in the year 2017.

The proposed total amount of dividend per share for the fiscal year 2016 corresponds to a dividend yield of 6.87% based on the closing price of the share of the Company on 31 December 2016 and to a dividend yield of 8.78% based on the Volume Weighted Average Price (VWAP) of the share of the Company.

It is noted that dividends are subject to a 15% tax withholding pursuant to the provisions of paragraph 11 of article 112 of the Law 4387/2016 (Government Gazette A’ 85/12.05.2016) as amended with the Law 4389/2016 (Government Gazette A’ 94/27.05.2016).

III. PROSPECTS

The profitability of the companies engaging in the sector of “oil refining and marketing of petroleum products” is by and large dependent on the volume of sales as well as on the refining margins and the Euro – US Dollar parity. The last two parameters are formed, to a great extent, at international level and hence it is practically impossible to make secure estimates a regards their future development.

With reference to the volume of sales the domestic demand figures per product category (in thousand Metric Tons) during the 2012-2016 period are presented hereunder:

Product Category	**2012**	**2013**	**2014**	**2015**	**2016**
Lubricants	84	112	90	82	79
Asphalt	99	126	159	154	190
LPG	386	425	438	473	494
Jet Kero / A1 (Aviation Fuels)	964	967	1,074	1,102	1,173
Gasoline	2,898	2,670	2,524	2,458	2,420
Fuel Oil	3,696	3,265	3,097	2,955	2,801
Gasoils / Diesels					
Heating Gasoil	1,924	935	968	1,389	1,200
Automotive Diesel	2,352	2,519	2,635	2,729	2,824
Bunker Gasoil	537	540	563	630	650
TOTAL	**12,939**	**11,560**	**11,547**	**11,972**	**11,830**
% Variation over previous year	**-13.4%**	**-10.7%**	**-0.1%**	**3.7%**	**-1.2%**

From the data presented above it is concluded that the aggregate domestic demand after a diminishing rate retreat in the year 2013, stabilized in the year 2014, increased in the year 2015 (for the first time since the year 2006) and eased in the year 2016 at 11.8 million Metric Tons which is 1.2% lower compared to the year 2015. Over the five year period 2011-2016 domestic demand cumulatively fell by 23.8% and over the ten year period 2006-2016 domestic demand cumulatively fell by 40.3%.

In the last three years a small increase of demand for air carrier services and for bunker gasoil it is noted, attributed to the increased number of tourist arrivals, while the continued increase of LPG demand is accounted for by the use of autogas as alternative fuel for vehicles because of the increase of the Special Consumption Tax applied on gasoline prices (please see below).

The reduction of the consumption of gasoline started in the year 2010 following the increase of the Special Consumption Tax (from € 410/MT to € 670/MT) and continues up until today because of the reduction of the disposable income combined with the increased number of diesel engine new car registrations. The increase in the number of diesel engine car registrations was the result of the reduction of the Special Consumption Tax which took effect in 2012 (from € 412/MT to € 330/MT) in conjunction with the decision by the Greek Government to lift the prohibition regarding the circulation of diesel engine cars in Athens and Thessaloniki which are the most populated cities in Greece. In the years 2015 and 2016 the increase of automotive diesel consumption volume wise exceeded the reduction of gasoline consumption.

Turning to Heating Gasoil the Special Consumption Tax was increased in 2012 (from € 60 to € 330/MT) leading to a sizable decrease in consumption as households turned to alterative means for heating. In October 2014 the Special Consumption Tax was reduced to € 230/MT a fact which contributed to a moderate increase of consumption in the year 2014 (the increase of consumption is attributed mostly to the increased sales effected in the October – December 2014 period) and a notable increase of consumption in the year 2015 (the consumption data concern the full winter season comprised of the January – April 2015 & October – December 2015 periods). In the year 2016 the consumption of Heating Gasoil declined again due to the higher price of the end product from 15th October 2016 onwards following the increase of the Special Consumption Tax to € 280/MT combined with the increase of the V.A.T. rate to 24% (from 23% previously) effected since 1st June 2016 pursuant to the Law 4389/2016 (Government Gazette A’ 94/27.5.2016).

The weakening demand for fuel oil is partly attributed to the recession woes of the domestic industrial sector and partly to its substitution for natural gas (natural gas penetration).

The market share of MOTOR OIL (HELLAS) S.A. in the domestic market per product category and the total volume of product sales generated by the Company during the last five years are presented next:

MOTOR OIL (HELLAS) S.A. Domestic Market share

Product Category	**2012**	**2013**	**2014**	**2015**	**2016**
LUBRICANTS	46.9%	36.8%	40.4%	40.4%	52%
Lubricants Total	**46.9%**	**36.8%**	**40.4%**	**40.4%**	**52%**
FUELS					
Asphalt	13.2%	27.1%	34.1%	42.0%	40.6%
LPG	22.6%	23.4%	22.8%	33.1%	37.6%
Jet Fuel	8.1%	0.0%	0.0%	7.8%	0.0%
Gasoline	32.4%	37.7%	38.7%	36.8%	40.0%
Fuel Oil	61.1%	55.8%	63.3%	49.9%	25.6%
Diesel (Automotive – Heating)	31.8%	35.3%	32.8%	31.3%	31.9%
Domestic Market Totals (Fuels)	**35.0%**	**37.5%**	**38.0%**	**35.2%**	**33.5%**
SHIPPING - AVIATION					
Jet Fuel	27.6%	31.3%	31.5%	32.4%	32.1%
Fuel Oil	23.2%	22.5%	26.6%	22.2%	21.7%
Bunker Gasoil	32.0%	30.5%	31.8%	28.9%	27.1%
Shipping Aviation – Totals	**25.2%**	**25.7%**	**28.7%**	**26.2%**	**25.8%**
DOMESTIC MARKET TOTAL	**32.1%**	**33.9%**	**35.3%**	**32.7%**	**31.4%**

MOTOR OIL (HELLAS) S.A. Total Product Sales Volume (in thousand MT)

	2012	2013	2014	2015	2016
Domestic Sales Volume	4,256	4,046	4,214	4,089	3,941
% over previous year	**-5.3%**	**-4.9%**	**4.2%**	**-3.0%**	**-3,6%**
Foreign Sales Volume	7,397	7,938	8,458	8,763	9,101
% over previous year	**18.1%**	**7.3%**	**6.6%**	**3.6%**	**3,9%**
Total Sales Volume	11,653	11,984	12,672	12,852	13,042
% over previous year	**8.3%**	**2.8%**	**5.7%**	**1.4%**	**1.5%**

The decline of the market share of MOTOR OIL in the year 2015 compared to the year 2014 is accounted for by the reduced sales of fuel oil to "PUBLIC POWER CORPORATION S.A." while the decline of the market share in the year 2016 compared to the year 2015 is accounted for by the absence of aviation fuel sales (such sales are effected by the Company only on an occasional basis in the domestic market) as well as the reduced sales to PPC. The above explain the lower domestic sales volume generated by the Company over the last couple of years.

Taking advantage of its exporting orientation, MOTOR OIL managed to fully offset the reduction of its domestic sales volume by generating combined volume of product sales (domestic, exports) amounting to 13,042 thousand Metric tons in 2016 which is a historic high for the Company exceeding significantly the annual production capacity of its Refinery. This fact has particular importance considering that the programmed turnaround of the Refinery process units was completed in the year 2016 (reference is made in the section "Capital Expenditure").

It is hereby noted that, as a representative of the energy sector, the Company is treated with priority by the Banking Transactions Approval Committee of the Greek Ministry of Economy regarding the purchase of crude oil and of raw materials from abroad so as to secure the sufficiency of the Country with reference to petroleum products. Moreover, through its exports which historically constitute the majority of its sales, the Company is in a position to finance the purchases of crude oil further securing the uninterrupted supply of its Refinery with raw material, without being affected by the capital controls imposed in Greece.

The development of the blended profit margin of the **Company** in US Dollars per Metric Ton for the fiscal years 2012, 2013, 2014, 2015 and 2016 is presented next.

Gross Profit Margin (US Dollars / Metric Ton)	**2012**	**2013**	**2014**	**2015**	**2016**
Company Blended Profit Margin	41.3	29.0	20.6	52.7	57.1

The primary objectives of the Company for the following years are, firstly, to keep delivering healthy profit margins at the top end of the sector on the back of the higher contribution of the industrial activity utilizing the production flexibility of its technologically advanced Refinery, and, secondly, to enhance its market share based on the contribution of its quality retail station networks (AVIN, CORAL & CYCLON).

Lastly, as regards the development of Euro – US Dollar parity it is noted that the Company follows a physical hedging policy (reference is made in the section "foreign currency risk").

IV. CAPITAL EXPENDITURE

In fiscal 2016 the capital expenditure of the Company amounted to Euro 58.3 million the most sizeable part of which (approximately 45%) concerned the programmed turnaround of the Refinery process units. The maintenance program which commenced at the end of May and took approximately one month to complete was necessary in order to secure the Refinery reliability. Total capital expenditure for the Group for fiscal 2016 amounted to Euro 87.9 million.

More specifically, the emphasis was put on the Hydrocracker Complex, the New Crude Distillation Unit (first maintenance since the commencement of its operation in May 2010), and the Lubes Complex.
The remainder capital expenditure amount was absorbed by investment projects in progress aiming to upgrade the quality of the Refinery output and to enhance its infrastructure. The projects that stand out involve the Jet & ADO production increase from the Hydrocracker and the construction of new storage tanks at the area freed as a result of placing the overhead Public Power Corporation (PPC) lines underground.

For the fiscal 2017 the Company's capital expenditure is estimated at Euro 55 million which is regarded as a representative figure considering the current size of the Refinery.

V. GROUP STRUCTURE – SUBSIDIARIES & AFFILIATED COMPANIES

A. Subsidiaries (direct participation – full consolidation)

1. AVIN OIL Industrial, Commercial & Maritime Oil Company S.A.

AVIN OIL Industrial, Commercial & Maritime Oil Company S.A. was founded in Athens in 1977 and currently its headquarters in Maroussi (12A Irodou Attikou str., zip code 151 24). The main activity of the company is the sale of liquid fuels, lubricants and asphalt which have a wide array of applications (transportation, industrial and household use).

MOTOR OIL (HELLAS) S.A. is the only shareholder of the company following the purchase of 100% of the shares of AVIN OIL, in March 2002, in the context of a relevant condition set during the approval procedure for the listing of the shares of MOH on the Athens Exchange.

The acquisition of AVIN OIL gave MOTOR OIL a strong arm in the retail sector of fuels and lubricants since the acquired company ranked fourth among its competitors in the Greek market with a market share of approximately 10%.

The retail network of AVIN OIL comprises of approximately 500 gas stations and additionally of several industrial customers all over Greece while the company has its own fleet of tank-trucks.

The primary objective of AVIN OIL is to upgrade the quality of its network of gas stations and to strengthen its various endeavours. The participation of the AVIN OIL as a founding shareholder in OFC AVIATION FUEL SERVICES S.A. falls within this objective.

AVIN OIL sells fuels in the Greek market mainly through its storage premises located at Agii Theodori in Corinth. The operations of the premises commenced in 1987 and constitute a modern truck loading terminal fully equipped with safety and environmental protection systems.

In June 2015 the retail fuel business of CYCLON HELLAS (a network consisting of approximately 200 retail gas stations throughout Greece) along with the related assets were transferred to AVIN OIL by the means of a share capital increase and subsequent amendment of article 5 of the Memorandum and Articles of Association of the latter. As a result of these developments, the share capital of AVIN OIL today amounts to Euro 20,896,135 divided into 7,107,529 common registered shares of nominal value Euro 2.94 each.

The combined market share of AVIN OIL (after the integration of the gas stations under the CYCLON trademark) amounts to approximately 12.3%.

The major supplier of AVIN OIL is MOTOR OIL (section "Related Party Transactions").

AVIN OIL personnel headcount amounted to 179 employees as of 31.12.2016.

AVIN OIL holds 100% of the shares of MAKREON S.A. and AVIN AKINITA S.A.

MAKREON S.A.
The company was founded in April 2007 with headquarters in Maroussi of Athens (12A Irodou Attikou str., zip code 151 24) and duration for 50 years. The objective of the company according to article 2 of its Codified Memorandum and Articles of Association is the establishment and operation of gas outlets in Greece, the marketing of fuels, the installation, maintenance and service of equipment of vehicles using autogas as alternative fuel, the provision of catering services in gas outlets territory, the transportation of petroleum products and the engagement in business representation activities for domestic and international corporations which offer similar products, goods and services. Today the share capital of MAKREON S.A. amounts to Euro 4,620,000 divided into 462,000 common registered shares of a nominal value Euro 10 each.

AVIN AKINITA S.A.
The company was founded in July 2013 with headquarters in Maroussi of Athens (12A Irodou Attikou str., zip code 151 24) and duration for 50 years. The corporate objectives of the company, according to article 2 of its Codified Memorandum and Articles of Association, include the purchase, sale, exploitation, and development of real estate. In 2016 two corporate actions took place both concerning share capital increase through cash for a total amount of Euro 750,000. In particular, following a decision by the Extraordinary General Assembly dated 10 June 2016 there were issued 30,000 new registered shares of nominal value Euro 10 each and following the decision by the Extraordinary General Assembly dated 15 September 2016 there were issued 45,000 new registered shares of nominal value Euro 10 each. On both occasions the newly issued shares were taken up by the unique shareholder AVIN OIL. Following the above, the share capital of AVIN AKINITA today amounts to Euro 1,064,000 divided into 106,400 registered shares of nominal value Euro 10 each.

2. CORAL A.E. Oil and Chemicals Company

The company was founded in 1995 following the restructuring of the established in Greece branches in 1926 and 1974 of the English enterprises Shell Company (Hellas) Limited and Shell Chemicals (Hellas) Limited. Today its registered address is at Maroussi (Irodou Attikou 12A street, zip code 151 24). The duration of the company has been defined until 2045. The main activities of CORAL A.E. involve the distribution and marketing of a wide range of oil products, including gasoline, fuel oil, diesel and lubricants through its retail network. Its activities also cover the commercial sector, the chemicals sector (exclusive representative/distributor in Greece of SHELL CHEMICALS), the marine sector and, exports.

Today the share capital of CORAL A.E. amounts to Euro 80,150,975.80 divided into 2,730,868 registered shares of nominal value Euro 29.35 each. The sole shareholder of the company is MOTOR OIL (HELLAS) S.A. which on 30 June 2010 announced the finalization of the agreement for the acquisition of all Group SHELL downstream assets in Greece by obtaining, among others, all "SHELL HELLAS A.E." shares from SHELL OVERSEAS HOLDINGS LTD. Following the completion of the deal the corporate name of SHELL HELLAS A.E. was changed to CORAL A.E. while the SHELL retail stations retain the brand and continue to sell the SHELL products in accordance with the Trademark Licensing Agreement signed by SHELL OVERSEAS HOLDINGS LTD and MOTOR OIL (HELLAS) S.A.

The retail network of CORAL A.E. totals 740 gas stations operating in Greece under the SHELL trademark being the market leader in the automotive gasoline with a market share of 22.7%.

The vision of CORAL is to be the top marketing company of petroleum products in Greece and its strategy is to continually upgrade its services in order to meet the ever-changing needs of the market and its customers, and to differentiate itself from its competitors at all levels.

CORAL A.E. holds 100% of the share capital of the companies ERMIS A.E.M.E.E, MYRTEA A.E., CORAL PRODUCTS AND TRADING A.E. and CORAL INNOVATIONS S.A.

ERMIS A.E.M.E.E.
Registered address: 12A Irodou Attikou street, 151 24 Maroussi, duration until 2068, share capital: Euro 5,475,800 divided into 54,758 shares of nominal value Euro 100 each.

MYRTEA A.E.
Registered address: 12A Irodou Attikou street, 151 24 Maroussi, duration until 2045, share capital: Euro 1,175,000 divided into 23,500 shares of nominal value Euro 50 each.

Both companies mentioned above manage retail sites.

CORAL PRODUCTS AND TRADING A.E.
Registered address: 12A Irodou Attikou street, 151 24 Maroussi, duration until 2064. The most recent corporate action concerned a share capital increase through cash for the amount of Euro 3,000,000. In particular, following a decision by the Extraordinary General Assembly dated 9 December 2016 there were issued 300,000 new registered shares of nominal value Euro 10 each which were taken up by CORAL A.E. as unique shareholder of the company. The share capital increase amount was paid on 17 January 2017 and the share capital increase was certified by the Board of the company in its meeting dated 23 January 2017. Following the above, the share capital of CORAL PRODUCTS AND TRADING today amounts to Euro 3,500,000 divided into 350,000 registered share of nominal value Euro 10 each.
The corporate objective of the company is petroleum products trading.

CORAL INNOVATIONS S.A.
Registered address: Municipality of New Ionia, Headquarters: 26-28 George Averof street, zip code: 142 32, Perissos, duration until 2065. The most recent corporate action concerned a share capital increase through cash for the amount of Euro 700,000. In particular, following a decision by the Annual Ordinary General Assembly dated 30 June 2016 there were issued 70,000 new registered shares of nominal value Euro 10 each which were taken up by CORAL A.E. as unique shareholder of the company. The share capital increase amount was paid on 26 July 2016 and the share capital increase was certified by the Board of the company in its meeting dated 23 August 2016. Following the above, the share capital of CORAL INNOVATIONS today amounts to Euro 1,000,000 divided into 100,000 registered share of nominal value Euro 10 each.
The corporate objective of the company is commerce activities and provision of services.

Furthermore, CORAL A.E. holds 37.49% of the shares of the company RAPI A.E. and 49% of the shares of the company SHELL & MOH AVIATION FUELS A.E. (information on these companies is included in the next sections).

The major supplier of CORAL A.E. is MOTOR OIL (section “Related Party Transactions”).

CORAL A.E. personnel headcount amounted to 261 employees as of 31.12.2016.

3. CORAL Commercial and Industrial Gas Company

The Company was founded in 1975. Presently its registered address is in the Prefecture of Asprorpyrgos of Attika while its headquarters are in Maroussi of Athens (Irodou Attikou 12A, zip code: 151 24). The duration of the company has been defined until 2055. According to article 3 of its codified memorandum, the main objective of CORAL GAS A.E.B.E.Y. is the marketing and distribution of natural gas as well as the manufacturing of LPG cylinders for the packaging and transportation of its goods.

The share capital of CORAL GAS A.E.B.E.Y. amounts to Euro 8,464,931.15 divided into 2,889,055 registered shares of nominal value 2.93 each. The sole shareholder of the company is MOTOR OIL (HELLAS) S.A. which on 30 June 2010 announced the finalisation of the agreement for the purchase from SHELL GAS (LPG) HOLDINGS BV of all SHELL GAS A.E.B.E.YGRAERION shares. Following the completion of the deal the corporate name of SHELL GAS A.E.B.E.Y. was changed to CORAL GAS A.E.B.E.Y.

Through its own depots in Athens, Thessalonica and Ioannina and an additional cooperative depot located in Heraklion of Crete, CORAL GAS A.E.B.E.Y. supplies more than 1,000,000 customers with reliable and safe Liquefied Petroleum Gas (LPG) products by the means of : a) LPG cylinders for domestic and professional use, b) bulk LPG in tanks for domestic, professional, and industrial customers, c) cartridges, and d) autogas, an environmental friendly and economical alternative fuel for vehicles. Furthermore, the company supplies its customers with gas devices for LPG cylinders and cartridges.

CORAL GAS A.E.B.E.Y. invests, among others, in the growing market of autogas (an alternative fuel for vehicles) and in innovative products and services such as the LPG cylinders endowed with the special FLV valve (Flow Limiter Valve), the new GoGas cylinders endowed with triple safety technology and their devices, the cartridges endowed with ILL (Internal Leak Limiter) technology and their devices, inventor products which lift the level of safety of the LPG consumers in the Greece.

CORAL GAS A.E.B.E.Y personnel headcount amounted to 102 employees as of 31.12.2016.

4. L.P.C. S.A. PROCESSING & TRADING OF LUBRICANTS & PETROLEUM PRODUCTS

The company was founded in June 2015 with legal name L.P.C. S.A. PROCESSING & TRADING OF LUBRICANTS & PETROLEUM PRODUCTS and trade name L.P.C. S.A. by the means of contribution in kind of part of the assets of CYCLON HELLAS S.A. following the separation of activities of the latter. In particular, the lubricants marketing & production business of CYCLON HELLAS along with the related assets were transferred to L.P.C. S.A. The registered address of the company is Megaridos 124 street, zip code: 193 00, Aspropyrgos, Attika.

The share capital of L.P.C. S.A. amounts to Euro 7,345,820 divided into 14,691,640 common registered shares of nominal value Euro 0.50 each. The only shareholder of the company is MOTOR OIL (HELLAS) S.A.

The personnel headcount of L.P.C. S.A. amounted to 212 employees as of 31.12.2016.

L.P.C. S.A. participates directly and indirectly in the share capital of the following companies / Joint Ventures:

ENDIALE S.A. (Corporate Objective: Alternative Waste Lubricant Oils Treatment)
Registered Address: Aspropyrgos of Attika, Greece – Today's Share Capital: Euro 310,800 - Shares: 222,000 common registered of nominal value Euro 1.4 each. The most recent corporate action concerned a reduction of the share capital by the amount of Euro 1,243,200 by the means of return of capital to the unique shareholder L.P.C. In particular, following a decision by the Extraordinary General Assembly dated 15 November 2016 the nominal value of the 222,000 shares of the company was reduced from Euro 7 per share to Euro 1.4 per share.

ARCELIA HOLDINGS LTD (Holding Company)
Registered Address: Nicosia, Cyprus – Share Capital: Euro 44,460 - Shares: 44,460 common registered of nominal value Euro 1 each. L.P.C participation: 100%

CYTOP A.E. (Corporate Objective: Collection & Trading of Used Lubricating Oils).
Registered Address: Aspropyrgos of Attika, Greece – Share Capital: Euro 700,000 - Shares: 7,000 common registered of nominal value Euro 100 each. L.P.C. participation: 100%

ELTEPE Joint Venture
(Corporate Objective: Collection & Trading of Used Lubricating Oils).
Shareholder structure: L.P.C. 90% - CYTOP A.E. 10%. The registered address of the Joint Venture is located within the premises of L.P.C. headquarters at Aspropyrgos of Attika (124 Megaridos street, zip code 193 00)

BULVARIA AUTOMOTIVE PRODUCTS LTD
(Corporate Objective: Marketing of Lubricants).
Registered Address: Sofia, Bulgaria – Share Capital: Euro 2,550 - Shares: 50 common registered of nominal value Euro 51 each. Shareholder Structure: ARCELIA 100%

CYROM PETROTRADING COMPANY (Corporate Objective: Marketing of Lubricants).
Registered Address: Ilfov – Glina, Romania – Share Capital: Euro 41,860 - Shares: 17,500 common registered of nominal value Euro 2.39 each. Shareholder Structure: BULVARIA 95% - ARCELIA 5%

CYCLON LUBRICANTS DOO BEOGRAD (Corporate Objective: Marketing of Lubricants).
Registered Address: Belgrade, Serbia – Share Capital: Euro 47,715. Shareholder Structure: BULVARIA 70% -ARCELIA 30%

KEPED S.A. (Corporate Objective: Management of Waste Lubricants Packaging).
Registered Address: Aspropyrgos of Attika – Share Capital: Euro 60,000 - Shares: 2,000 common registered of nominal value Euro 30 each. Major Shareholder: ENDIALE S.A. 90%.

AL DERAA AL AFRIQUE JV FOR ENVIRONMENTAL SERVICES
(Corporate Objective: Collection and Trading of Used Lubricating Oils).
Registered Address: Tripoli, Libya – Share Capital: Euro 602,594.06 - Shares: 100,000 common registered of nominal value Euro 6.03 each. Major Shareholder: CYTOP 60%.

5. MOTOR OIL (CYPRUS) LIMITED

The company was founded in Nicosia of Cyprus in May 2013. Its major corporate objectives include participating in the share capital of other companies and engaging in commercial activities.

The share capital of the company today amounts Euro 300,000 divided into 300,000 common shares of nominal value Euro 1 each. The most recent corporate action concerned a share capital increase through cash for the amount of Euro 100,000. In particular, following a decision by the Extraordinary General Assembly dated 6 December 2016 there were issued 100,000 new common shares of nominal value Euro 1 each which were taken up by MOTOR OIL (HELLAS) S.A. as unique shareholder.

6. MOTOR OIL MIDDLE EAST DMCC

The company was founded in Dubai of United Arab Emirates in July 2014. Its corporate objective is oil trading. The share capital of the company amounts to 200,000 Arab Emirates Dirhams (AED) divided into 200 common registered shares of nominal value 1,000 AED each. The only shareholder of the company is MOTOR OIL (CYPRUS) LIMITED.

7. MOTOR OIL TRADING S.A.

The company was founded in Maroussi of Attika (12A Irodou Attikou str., zip code: 151 24) Greece in January 2015. The share capital of the company amounts to Euro 24,000 divided into 24,000 common shares of nominal value Euro 1 each. The only shareholder of the company is MOTOR OIL (CYPRUS) LIMITED. The corporate objective of the company is oil trading.

8. DIORIGA GAS S.A.

The company was founded in June 2016 with headquarters in Maroussi of Attika (12A Irodou Attikou str., zip code: 151 24). The share capital of the company amounts to Euro 24,000 divided into 24,000 common shares of nominal value Euro 1 each. The only shareholder of the company is MOTOR OIL (CYPRUS) LIMITED. The corporate objective of the company is to supply, purchase, transfer and distribute natural gas as well as to store and to liquefy natural gas.

9. BUILDING FACILITY SERVICES A.E.

The company was founded in Maroussi of Attika (12A Irodou Attikou str., zip code: 151 24), Greece in April 2014. Its corporate objectives include the provision of services for management and operation of buildings and installations. The most recent corporate action concerned a share capital increase through cash for the amount of Euro 300,000. In particular, following a decision by the Annual Ordinary General Assembly dated 30 June 2016 there were issued 300,000 new common registered shares of nominal value Euro 1 each which were taken up by MOTOR OIL (HELLAS) S.A. as unique shareholder. As a result, the share capital of BFS today amounts to Euro 450,000 divided into 450,000 common registered shares of nominal value euro 1 each.

The personnel headcount of BFS amounted to 50 employees as of 31.12.2016.

10. MOTOR OIL FINANCE PLC

The company was founded in London in May 2014. Its share capital amounts to 50,000 British Pounds and its only shareholder is MOTOR OIL (HELLAS) S.A. The corporate objective of the company is the provision of financial services. On May 22, 2014 MOTOR OIL FINANCE PLC raised the amount of Euro 350 million through the offering of five year Senior Notes bearing a fixed rate coupon of 5.125%. MOTOR OIL (HELLAS) S.A. is the Guarantor of the Senior Notes.

11. CORINTHIAN OIL LIMITED

The company was founded in London in 2016. Its share capital amounts to 1 Euro and its only shareholder is MOTOR OIL (HELLAS) S.A. The corporate objective of the company is crude oil and petroleum product trading. The company has no activity yet.

12. MOTOR OIL VEGAS UPSTREAM LIMITED

The company was founded in May 2016 in Limassol (Cyprus) with initial capital Euro 1,000 and corporate objective the exploration and production of potential new oil resources (upstream).

The Annual Ordinary General Assembly of the shareholders of MOTOR OIL (HELLAS) S.A. dated 8 June 2016 granted its special permission, pursuant to article 23a of the Codified Law 2190/1920, for the participation of the Company in the share capital of MOTOR OIL VEGAS UPSTREAM LIMITED.

Following a share capital increase in cash decided by the General Assembly of MOTOR OIL VEGAS UPSTREAM LIMITED dated 17 June 2016 the share capital of the company today amounts to Euro 5,000 divided into 5,000 common registered shares of nominal value Euro 1 each. In particular, there were issued 4,000 new common registered shares of nominal value Euro 1 each at a subscription price Euro 751 per share. From the share capital increase referred to above, an amount of Euro 4,000 was booked as payment of the nominal value of the shares and the remaining amount of Euro 3,000,000 was booked as share premium.

MOTOR OIL owns 65% of the shares of MOTOR OIL VEGAS UPSTREAM LIMITED and the remaining 35% belongs to the company VEGAS OIL AND GAS LIMITED.

MOTOR OIL VEGAS UPSTREAM LIMITED participates by 100% in the company under the legal name MV Upstream Tanzania Limited (registered address in Cyprus) which engages in the upstream.

Furthermore, MOTOR OIL VEGAS UPSTREAM LIMITED participates by 100% in the company under the legal name MVU Brazos Corp. (registered address in U.S.A) which in December 2016 acquired a 100% interest in the Brookshire Salt Dome Project in U.S.A. for a consideration of USD 2.56 million.

B. Subsidiaries (direct or/and indirect participation – full consolidation)

1. OFC AVIATION FUEL SERVICES S.A.

The company was founded in October 1998 in Athens initially with the corporate name OLYMPIC FUEL COMPANY S.A. and duration for 24 years (until 6.10.2022). The objective of the company, according to article 3 of its Codified Memorandum and Articles of Association, is to design, finance, construct and by exclusive right operate the aircraft fuel supply system and the storage facilities at the Athens International Airport (AIA) “Eleftherios Venizelos” at Spata of Attica, as well as to engage in other similar endeavours, defined in the Aircraft Fuel Supply Agreement signed, following an international tender, between the AIA and OFC in 1998 with term duration for 23 years.

Following the decision of the Extraordinary General Meeting dated 12.12.2000, the headquarters of the company relocated to Spata County and specifically to privately owned premises situated inside the Athens International Airport area on the 5th km of the Spata– Loutsa Avenue. The fixed assets of OLYMPIC AVIATION FUEL SERVICES S.A. include, among others, storage tanks for the Jet A-1 type aircraft fuel of total capacity 24,000 m^3, pumps and an underground pipeline system of total length 18km, 125 fuel supply pits and, a fully automated system to cater for fuel flow control as well as fire and environmental protection (hydrant system). The OFC premises as well as its methods of operation have been certified by the Administration of Civil Airforce, by the Athens International Airport, and are inspected on a continuous basis by all international authorities (i.e. JIG-Joint Inspection Group, IATA-International Air Transport Association). According to the results of the relevant inspections of the last ten years, the company possesses the unique accolade worldwide of having received the JIG award (Certificate of Excellence) every year.

Following a decision of the Extraordinary General Assembly dated 10 December 2009 the corporate name of the company was changed to OFC AVIATION FUEL SERVICES S.A. with trading name OFC S.A..

The share capital of OFC S.A. amounts to Euro 6,708,999.10 divided into 228,586 common registered shares of a nominal value of Euro 29.35 each.

The shareholder structure of the company has as follows: 46.03% MOTOR OIL (HELLAS) S.A., 46.03% AVIN OIL A.V.E.N.E.P., 5% SKYTANKING N.V., 2.94% HANSA CONSULT INGENIEURE GESSELSCHAFT MBH.

As of 31.12.2016 the personnel headcount of OFC S.A. amounted to 23 employees.

C. Other Consolidated Companies (net equity)

1. KORINTHOS POWER S.A.

The company was founded on January 5th, 2005 with headquarters in Maroussi (8 Artemidos street, zip code 151 25) and duration for 50 years. The corporate objectives of the company, according to article 4 of its Codified Memorandum and Articles of Association, include the construction, operation and commercial exploitation of a power production unit located at Agii Theodori of Korinthos county.

The share capital of KORINTHOS POWER S.A. amounts to Euro 3,137,600 divided into 313,760 registered shares of a nominal value of Euro 10 each.

The shareholder structure of the company has as follows: 65% ARGYRITIS LAND INDUSTRIAL AND COMMERCIAL COMPANY OF BASIC METALS S.A. (100% subsidiary of MYTILINEOS HOLDINGS S.A.), 35% MOTOR OIL (HELLAS) S.A.

KORINTHOS POWER S.A. possesses a 436.6 MW power generation license and its core asset is a combined cycle power production plant fuelled with natural gas located within the facilities of MOTOR OIL (HELLAS) S.A. at Agii Theodori of Korinthos. KORINTHOS POWER S.A. commenced its business activities in March 2012.

2. M and M NATURAL GAS S.A.

The company was founded on August 4th, 2010 with headquarters in Maroussi (5-7 Patroklou street, zip code 151 25) and duration for 50 years. According to article 3 of its Codified Memorandum and Articles of Association its corporate objectives include the distribution and marketing of natural gas.

The share capital of M and M NATURAL GAS S.A. amounts to Euro 2,000,000 divided into 200,000 registered shares of nominal value Euro 10 each.

The shareholder structure of the company has as follows: 50% MYTILINEOS S.A. GROUP OF COMPANIES, 50% MOTOR OIL (HELLAS) S.A.

On February 7th, 2011 the company obtained a license from the Ministry of Environment, Energy and Climate Change for the supply of natural gas granting it the right to sell natural gas according to the provisions of the Law 3428/2005. The license has duration for 20 years.

3. SHELL & MOH AVIATION FUELS A.E.

The company was founded in 2009 following its transformation from a Limited Liability status to Societes Anonymes. Within the same year, the company absorbed the aviation sales arm of "Shell Hellas A.E." and, following a change in its shareholders structure, got its present corporate name in 2010. The duration of the company is for 50 years and its registered address is at Maroussi (151 Kifissias Avenue, zip code 151 24) of Athens. According to article 3 of the Codified Memorandum and Articles of Association of the company, its corporate objectives include the trade of aviation fuels as well as the provision of aircraft refuel services. Within this context, apart from the provision of refuel services to its own customers, SHELL & MOH AVIATION FUELS A.E. has entered into business agreements with foreign company members of the Shell International Aviation Trading System for the provision of refuel services to the system customers in airports located in Greece.

Today SHELL & MOH AVIATION FUELS has a presence in 20 airports throughout Greece and through two joint ventures which it has founded and participates (GISSCO and SAFCO) refuels more than 60,000 aircrafts per annum. Furthermore, as a member of the Shell International Aviation Trading System SHELL & MOH AVIATION FUELS has the ability to offer its services to any Greek and Cypriot airline company in approximately 800 airports worldwide.

The share capital of SHELL & MOH AVIATION FUELS A.E. amounts to Euro 7,547,000 divided into 754,700 shares of nominal value Euro 10 each.

The shareholder structure of the company has as follows: 51% SHELL OVERSEAS HOLDINGS LIMITED, 49% CORAL A.E.

The personnel headcount of SHELL & MOH AVIATION FUELS A.E. amounted to 11 employees as of 31.12.2016.

4. RHODES ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A.

The company was founded in 1967 in Maroussi of Athens (26 Kifissias Avenue & 2 Paradisou street, zip code 151 25), trading name "R.A.P.I" and duration until 2027. According to article 3 of the Codified Memorandum and Articles of Association of the company, its corporate objective is to manage oil depots at airports.

Today the share capital of R.A.P.I amounts to Euro 926,750 divided into 37,050 common registered shares of nominal value Euro 25 each.

The shareholder structure of R.A.P.I. has as follows: 62.51% BP Hellenic A.E., 37.49% CORAL A.E.

5. NUR – MOH HELIOTHERMAL ENERGY S.A.

The company was founded on May 22nd, 2009 with headquarters in Maroussi of Athens (12A Irodou Attikou street, zip code 151 24) and duration until December 31st, 2100. The trading name of the company is "NUR-MOH HELIOTHERMAL". According to article 4 of the Codified Memorandum and Articles of Association of the company, its objective is the construction, operation and business exploitation of heliothermal stations in Greece. Furthermore, the company can engage in trading activities with regard to the electric or/and thermal power produced by these stations.

The share capital of "NUR – MOH HELIOTHERMAL ENERGY S.A." amounts to Euro 675,000 divided into 67,500 registered shares of a nominal value of Euro 10 each. These shares belong in equal parts to the founding shareholders MOTOR OIL (HELLAS) S.A. and NUR ENERGIE LTD.

D. Related Companies

1. ATHENS AIRPORT FUEL PIPELINE COMPANY S.A.

The company was founded in May 2000 in Maroussi (199 Kifissias Avenue, zip code 151 25) and duration for 50 years. Following the decision of the General Assembly of its shareholders dated February 17th, 2011, the registered address of the company relocated to 2 Ergotelous street, zip code 151 24 at Maroussi. The objective of the "ATHENS AIRPORT FUEL PIPELINE COMPANY S.A.", according to article 3 of its Codified Memorandum and Articles of Association, is the execution of all works and activities relating to the design, financing, construction, completion, operation, maintenance and handling of the pipeline and its premises for the carrying of aircraft fuel from the "Hellenic Petroleum" (EL-PE) refinery at Aspropyrgos to the Athens International Airport "Eleftherios Venizelos" at Spata.

The share capital of the "ATHENS AIRPORT FUEL PIPELINE COMPANY S.A" amounts to Euro 5,782,355 divided into 1,973,500 common registered shares for a nominal value of Euro 2.93 each.

The shareholder structure of the company has as follows: 50% HELLENIC PETROLEUM S.A., 34% ATHENS INTERNATIONAL AIRPORT S.A., 16% MOTOR OIL (HELLAS) S.A.

2. HELLENIC ASSOCIATION OF INDEPENDENT POWER COMPANIES

This company is a civil non profit organisation established in Athens with trading name "ESAH". It was founded in March 2010 by companies engaging in the power production sector with initial share capital of Euro 60,000 and duration for 50 years. The objective of "ESAH" is to promote and study issues in relation to the production, development and distribution of electricity to the final customers. MOTOR OIL (HELLAS) S.A. contributed Euro 10,000 to the formation capital of "ESAH" (a stake of 16.67%).

3. ASPROPYRGOS INDUSTRIAL PARK SOUTH SECTOR A.E.

This concern was founded in July 2010 with registered address at the prefecture of Aspropyrgos of Attika, duration for 100 years and share capital of Euro 506,105 divided into 506,105 common registered shares of nominal value Euro 1 each. Its trading name is "VI.PA.NO.T Aspropyrgos A.E." and its objective is to pursue the establishment and management of an Industrial Park at the south sector of the industrial zone of Aspropyrgos area of which the concern shareholders are land owners and/or industrial complex owners. L.P.C. S.A. participates in the share capital of the concern with 12.83%

E. Other Subsidiaries (direct and indirect participation) – dormant

1. ELEKTROPARAGOGI SOUSSAKI S.A.

The company was founded on November 20th, 2008 with headquarters in Maroussi of Athens and duration for 50 years. According to article No. 3 of its Codified Memorandum and Articles of Association its objective is the production, operation and business exploitation of a power production unit at the area SOUSSAKI located at the Korinthos county and also the construction of power production units in Greece and abroad. Furthermore, the company can engage in trading activities with regard to the power generated from these units.

The share capital of the company amounts to Euro 610,000 divided into 6,100 common registered shares of a nominal value of Euro 100 each. These shares belong to the founding shareholders MOTOR OIL (HELLAS) S.A. (shares 2,440 - stake 40%), AVIN OIL (shares 1,830 - stake 30%) and L.P.C. S.A. (shares 1,830 - stake 30%).

The company possesses a 440MW electricity production license which was granted to it by the Ministry of Environment, Energy and Climate Change in March 2010. Moreover, the company possesses a 300 MW power supply license with a 20 year duration granted to it in April 2011. The company has no activity yet.

The **Group Structure** is depicted in summary form hereunder:

Company Legal Name	**Participation**		**Method of Consolidation**
	Direct	**Indirect**	
AVIN OIL A.V.E.N.E.P	100 %		Full Consolidation
CORAL A.E.	100 %		Full Consolidation
ERMES A.E.M.E.E		100 %	Full Consolidation
MYRTEA A.E.		100 %	Full Consolidation
CORAL PRODUCTS AND TRADING A.E.		100 %	Full Consolidation
CORAL INNOVATIONS A.E.		100 %	Full Consolidation
CORAL GAS A.E.B.E.Y	100 %		Full Consolidation
OFC AVIATION FUEL SERVICES S.A.	46.03%	46.03%	Full Consolidation
MOTOR OIL VEGAS UPSTREAM LIMITED	65%		Full Consolidation
MV UPSTREAM TANZANIA LIMITED		65%	Full Consolidation
MVU BRAZOS CORPORATION		65%	Full Consolidation
MAKREON S.A.		100 %	Full Consolidation
MOTOR OIL FINANCE PLC	100 %		Full Consolidation
MOTOR OIL (CYPRUS) LIMITED	100 %		Full Consolidation
MOTOR OIL MIDDLE EAST DMCC		100 %	Full Consolidation
MOTOR OIL TRADING A.E.		100 %	Full Consolidation
DIORIGA GAS A.E.		100%	Full Consolidation
AVIN AKINITA S.A.		100 %	Full Consolidation
BUILDING FACILITY SERVICES A.E.	100 %		Full Consolidation
L.P.C. S.A.	100 %		Full Consolidation
CORINTHIAN OIL LIMITED	100%		Full Consolidation
ENDIALE		100 %	Full Consolidation
ELTEPE		100 %	Full Consolidation
ARCELIA HOLDINGS LTD		100 %	Full Consolidation
BULVARIA AUTOMOTIVE PRODUCTS LTD		100 %	Full Consolidation
CYROM		100 %	Full Consolidation
CYCLON LUBRICANTS DOO BEOGRAD		100 %	Full Consolidation
CYTOP A.E.		100 %	Full Consolidation
KEPED		90 %	Full Consolidation
AL DERAA AL AFRIQUE JV		60 %	Full Consolidation
SHELL& MOH AVIATION FUELS A.E.		49 %	Net Equity
RHODES ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A.		37.49%	Net Equity
KORINTHOS POWER S.A.	35 %		Net Equity
M and M NATURAL GAS A.E.	50%		Net Equity
NUR – MOH HELIOTHERMAL S.A.	50%		Net Equity
ELECTROPARAGOGI SOUSSAKI S.A.	40 %	60 %	Acquisition Cost
ATHENS AIRPORT FUEL PIPELINE COMPANY S.A.	16 %		Acquisition Cost
HELLENIC ASSOCIATION OF INDEPENDENT POWER Cos	16.67 %		Acquisition Cost
ASPROPYRGOS INDUSTRIAL PARK SOUTH SECTOR A.E.		12.83%	Acquisition Cost

VI. SHAREHOLDERS - SHARE CAPITAL – BoD AUTHORIZATIONS – ARTICLES OF ASSOCIATION

The major shareholder of MOTOR OIL (HELLAS) S.A. is the legal entity “Petroventure Holdings Limited” with a 40% stake. The holding company “Motor Oil Holdings Ltd” is the controlling shareholder of “Petroventure Holdings Limited”.

MOTOR OIL (HELLAS) S.A. has no treasury stock.

The share capital of the Company amounts to Euro 83,087,235 divided into 110,782,980 common registered shares of a nominal value of Euro 0.75 each which have no right to fixed income. The shares of the Company are listed on the Athens Exchange. It is noted that there are no restrictions as to the sale of shares, there are no shareholders with special control rights and there are no restrictions on voting rights. Furthermore there are no agreements according to the provision of article 11[a] of the Law 3371/2005, cases (i) and (j), (i.e material agreements put in force, revised or terminated in case of change in the control of the Company as a result of a public offer as well as agreements with BoD members or Company personnel that provide for remuneration in case of retirement without material reason or termination of their term or employment as a result of public offer). Furthermore, it is noted that the BoD or its members have no authority to increase share capital, issue new shares or buy treasury shares. The authorisation for the above mentioned matters lies with the General Shareholders Meeting.

Following the decision of the Annual Ordinary General Assembly dated 8 June 2016 the duration of the Company was extended for fifty (50) years from its initial expiration, that is until 7 May 2070, with subsequent amendment of article 4 of the Company Memorandum pertaining to duration. The Codified Memorandum of the Company is available on its website www.moh.gr in the particular menu option: About MOH / Corporate Governance.

With regards to the appointment and/or replacement of the members of the Board it is provided in the Articles of Association of the Company the capacity of the General Assembly to appoint substitute members. The substitute members of the Board take over in case of death, resignation or loss of identity of other Board members. Moreover, the Company Memorandum provides that in case of death or loss of identity of a Board member, the Board can continue its function and representation of the Company without appointing a replacement. Also the Company Memorandum provides that there is no obligation for the Board of Directors to convene a meeting once a month.

The members of the Board are elected by the General Assembly which, according to the Articles of Association of the Company, is duly convened and decides upon this matter with ordinary quorum and majority. Moreover, the Articles of Association of the Company provide that the responsibility for the issuance of common bond loans may rest (apart from the General Assembly) and on the Board of Directors provided the decision is taken with a majority of at least two thirds (2/3) of its total number of its members.

VII. SIGNIFICANT POST BALANCE SHEET EVENTS

On 3rd January 2017 CORAL A.E., a wholly owned subsidiary of MOTOR OIL (HELLAS) S.A., acquired 100% of the shares issued by the company LUKOIL CYPRUS LIMITED owned by LUKOIL EUROPE HOLDINGS B.V. (registered address, Amsterdam, Netherlands) which was the seller. The value of the transaction amounted to Euro 9.5 million approximately. Following the acquisition of the shares referred to above, the acquired company LUKOIL CYPRUS LIMITED was renamed to CORAL ENERGY PRODUCTS CYPRUS LIMITED. CORAL ENERGY PRODUCTS CYPRUS LIMITED operates a network of retail service stations in Cyprus comprising of 31 LUKOIL branded sites.

On 26th January 2017 the Ordinary Resolution of the Shareholders of the company MOTOR OIL VEGAS UPSTREAM LIMITED decided a share capital increase in cash issuing additional 3,000 ordinary shares of nominal value Euro 1 each at a subscription price of Euro 1,666.67 each. From the share capital increase referred to above, an amount of Euro 3,000 will be booked for the payment of the nominal value of the shares and the remaining amount of Euro 4,997,000 will be booked as share premium. Following the share capital increase referred to above, the share capital of MOTOR OIL VEGAS UPSTREAM LIMITED will be Euro 8,000 divided into 8,000 ordinary shares of nominal value Euro 1 each. MOTOR OIL owns 65% of the shares of MOTOR OIL VEGAS UPSTREAM LIMITED.

There are no other events significantly influencing the financial structure or business course of the Group until the time of the writing of the present report.

VIII. MAJOR SOURCES OF UNCERTAINTY WITH REGARD TO ACCOUNTING ASSESSMENTS

The preparation of the financial statements presumes that various estimations and assumptions are made by the Group's management which possibly affect the carrying values of assets and liabilities and the required disclosures for contingent assets and liabilities as well as the amounts of income and expenses recognized. The use of adequate information and the subjective judgment used are basic for the estimates made for the valuation of assets, liabilities derived from employees benefit plans, impairment of receivables, unaudited tax years and pending legal cases. The estimations are important but not restrictive. The actual future events may differ than the above estimations. The major sources of uncertainty in accounting estimations by the Group's management, concern mainly the legal cases and the financial years not audited by the tax authorities, as described in detail in note 30 of the financial statements.
Other sources of uncertainty relate to the assumptions made by the management regarding the employee benefit plans such as payroll increase, remaining years to retirement, inflation rates etc. and other sources of uncertainty is the estimation for the useful life of fixed assets. The above estimations and assumptions are based on the up to date experience of the management and are revaluated so as to be up to date with the current market conditions.

IX. MANAGEMENT OF FINANCIAL RISKS

The Group's management has assessed the impacts on the management of financial risks that may arise due to the challenges of the general business environment in Greece. In general, as it is further discussed in the management of each financial risk below, the management of the Group does not consider that any negative developments in the Greek economy in connection with the capital controls of the Greek banks may materially affect the normal course of business of the Group and the Company.

a. Capital risk management

The Group manages its capital to ensure that Group companies will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The Group's management monitors the capital structure on a frequent basis.As a part of this monitoring, the management reviews the cost of capital and the risks associated with each class of capital. The Group's intention is to balance its overall capital structure through the payment of dividends, as well as the issue of new debt or the redemption of existing debt. The Group through its 100% subsidiary "Motor Oil Finance plc" that is based in London, issued a bond loan for an amount of EURO 350 million in 2014 through the offering of five year Senior Notes bearing a fixed rate coupon and maintains also access at the international money markets broadening materially its financing alternatives

Gearing Ratio

The Group's management reviews the capital structure on a frequent basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at the year end was as follows:

	GROUP		COMPANY	
(In 000's Euros)	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Bank loans	1,183,838	1,351,841	857,329	1,020,019
Cash and cash equivalents	(800,285)	(670,559)	(688,735)	(567,658)
Net debt	**383,553**	**681,282**	**168,594**	**452,361**
Equity	**824,060**	**603,814**	**706,675**	**510,778**
Net debt to equity ratio	**0.47**	**1.13**	**0.24**	**0.89**

b. Financial risk management

The Group's Treasury department provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Treasury department reports on a frequent basis to the Group's management that monitors risks and policies implemented to mitigate risk exposures.

c. Market risk

Due to the nature of its activities, the Group is exposed primarily to the financial risks of changes in foreign currency exchange rates (see (d) below), interest rates (see (e) below) and to the volatility of oil prices mainly due to the obligation to maintain certain level of inventories. The Company, in order to avoid significant fluctuations in the inventories valuation is trying, as a policy, to keep the inventories at the lowest possible levels. Furthermore, any change in the pertaining refinery margin, denominated in USD, affects the Company's gross margin. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures these risks. Considering the conditions in the oil refining and trading sector, as well as the negative economic environment in general, we consider the course of the Group and the Company as satisfactory. Through its Middle East based 100% subsidiary, the Group aims to exploit its endeavors at international level and to further strengthen its already solid exporting orientation. Moreover the instability in the domestic market, in connection with the capital controls, is not expected to create problems to the normal course of business of the Company, which due to its strong exporting orientation generates adequate cash flows to cover the necessary imports of crude oil for the refinery activities. Furthermore crude oil prices are determined in the international markets and are not affected so by any domestic market turbulences.

d. Foreign currency risk

Due to the use of the international Platt's prices in USD for oil purchases/sales, exposures to exchange rate fluctuations may arise for the Company's profit margins. The Company minimises foreign currency risks through physical hedging, mostly by monitoring assets and liabilities in foreign currencies.

e. Interest rate risk

The Group has access to various major domestic and international financial markets and manages to have borrowings with competitive interest rates and terms. Hence, the operating expenses and cash flows from financing activities are not materially affected by interest rate fluctuations.

Had the current interest rates been 50 basis points higher/lower, all other variables kept constant, the Group's profit for the year ended 31 December 2016 could have decreased/increased by approximately € 6.5 million.

f. Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables.

The Group's trade receivables are characterized by a high degree of concentration, due to a limited number of customers comprising the clientele of the parent Company. Most of the customers are international well known oil companies. Consequently, the credit risk is limited to a great extent. The Group companies have signed contracts with their clients, based on the course of the international oil prices. In addition the Group, as a policy, obtains letters of guarantee from its clients in order to secure its receivables, which as at 31/12/2016 amounted to Euro 21.5 mil. As far as receivables of the subsidiaries "Avin Oil S.A.", "CORAL A.E.", "CORAL GAS A.E.B.E.Y." and "L.P.C. S.A." are concerned, these are spread in a wide range of customers and consequently there is no material concentration and the credit risk is limited. The Group manages its domestic credit policy in a way to limit accordingly the credit days granted in the local market, in order to minimise any probable domestic credit risk.

g. Liquidity risk

Liquidity risk is managed through the proper combination of cash and cash equivalents and the bank loan facilities granted, when needed. In order to address such risks, the Group's management monitors the balance of cash and cash equivalents and ensures available bank loans facilities, maintaining also increased cash balances. Moreover the major part of the Group's borrowings is long term borrowings which facilitates liquidity management.

The following tables present the **Group's** remaining contractual maturity for its financial liabilities:

GROUP
2016

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	640,743	932	0	0	641,675
Finance Leases	7.28%	15	15	27	0	57
Bank loans	5.52%	49,166	41,987	1,092,628	0	1,183,781
Total		**689,924**	**42,934**	**1,092,655**	**0**	**1,825,513**

GROUP
2015

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	392,401	7,817	0	0	400,218
Finance Leases	7.20%	12	13	41	0	66
Bank loans	5.66%	211,348	32,865	1,107,562	0	1,351,775
Total		**603,761**	**40,695**	**1,107,603**	**0**	**1,752,059**

The following tables present the **Company's** remaining contractual maturity for its financial liabilities:

COMPANY
2016

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	542,515	0	0	0	542,515
Finance Leases	7.28%	13	14	14	0	41
Bank loans	5.39%	471	471	856,346	0	857,288
Total		**542,999**	**485**	**856,360**	**0**	**1,399,844**

COMPANY
2015

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	318,501	0	0	0	318,501
Finance Leases	7.20%	12	13	41	0	66
Bank loans	5.47%	137,842	25,787	856,324	0	1,019,953
Total		**456,355**	**25,800**	**856,365**	**0**	**1,338,520**

Going Concern

The Group's management considers that the Company and the Group have adequate resources that ensure the smooth continuance of the business of the Company and the Group as a "Going Concern" in the foreseeable future.

X. QUALITY - ENVIRONMENT – HEALTH & SAFETY – LABOUR MATTERS

The commitment of the Group to the fulfilment of its main goal, which includes its involvement in the wider energy sector catering for the needs of the society while contributing to the economic and community prosperity, respecting the principles of Sustainable Development and minimizing the impact on the environment resulting from its operations, is reflected by its Policy for Quality, Environmental Protection and Health & Safety.

From the beginning of its operations MOTOR OIL has focused its efforts on the production of products of high quality standards having as a main objective to fulfill the needs of its customers. The aim of the Company is to provide reliable and quality products to its customers by the means of a universal motivation of its management while proactively dealing with potential problems before these arise.

For the above mentioned reasons, in 1992 the Company initiated action to develop a Quality Assurance System covering all its activities meeting the requirements of the ISO 9002 standard. In December 1993 the system was certified by Bureau Veritas Certification (BV Cert.). Since then, the Quality System has become an integral part of MOTOR OIL operations.

In January 2003 MOTOR OIL received by the same company the accreditation according to the requirements of the (at the time) new standard ISO 9001:2000 for its Quality Management System. In November 2009 the system was certified according to the new version of the standard ISO 9001:2008 with validity until February 2012 when its certification was renewed with validity until February 2015. In December 2014, within the context of the simultaneous evaluation of Company certifications, the ISO 9001:2008 standard was recertified with validity until December 2017.

The commitment of the Company management as well as its personnel to the continuous development of quality is universal. In the context of this commitment, the Refinery Chemical Laboratory was accredited by the National Accreditation System (ESYD) with the ISO / IEC 17025 standard in September 2006 and validity until September 2010. Since then, the validity of the accreditation was extended until September 2014 when it was extended once more until September 2018.

The adoption of methods and procedures that protect the environment comprise top priority for MOTOR OIL. The Refinery operation conforms to the environmental terms set by the Ministry of Environment Urban Planning & Public Works and the Ministry of Development for the granting of operation license. Furthermore, the Refinery operation is fully harmonized with the most stringent international standards for environmental protection adopting the most advanced processing methods causing the minimum environmental harm possible. The Refinery Environmental Management System (EMS) was certified by Bureau Veritas Certification (BV Cert.) according to the ISO 14001:1996 initially in December 2000 and since 2004 according to the more stringent standard ISO 14001:2004.

Following the EMS recertification in January 2013, the validity of the certificate was extended until January 2016. In December 2014, within the context of the simultaneous evaluation of Company certifications already mentioned, the Company EMS was recertified with validity until December 2017.

Furthermore, since July 2007 and given the commitment of the Company to continuous improvement of environmental management and dissemination of information regarding the impact of its operations on the environment, MOTOR OIL has voluntarily and beyond any legal obligation adopted the European Regulation (ER) 761/2001 EMAS (Eco-Management and Audit Scheme) verified by Bureau Veritas and proceeded with the issuance of an annual Environmental Statement. The annual Environmental Statements for the fiscal years 2006 – 2009 were compiled based on the EMAS II 761/2001 regulation while those for the fiscal years 2010 – 2015 were compiled based on the more recent EMAS III 1221/2009 regulation. The annual Environmental Statements EMAS which through appropriate indices and measurements pertaining to the refining sector offer a thorough assessment of the environmental performance of the Refinery as well a detailed description of the Emergency Plans set out by the Company, their effectiveness is displayed by the absence of environmental incidents / accidents, are available in electronic form through the Company's website www.moh.gr at the particular option Environment & Society / Environment and Sustainable Development / EMAS Environmental Statements and in print form through the Integrated Management Systems Section of the Refinery. MOTOR OIL is registered in the European System of Eco-Management and Audit Scheme while its Refinery is registered in the Hellenic Register of EMAS Registered Organizations.

The triple combination of certifications, ISO 14001:2004 & EMAS (for the environment) and ISO 9001:2008 (for quality), is of the utmost importance and is only met in a handful of European refineries such high degree of complexity as that of the Refinery of MOTOR OIL.

MOTOR OIL has been committed to incorporate the Health and Safety requirements in its planning, decision making and Refinery operation always considering all Stakeholders.

Within the context of this commitment the Health & Safety Management of the Refinery was revised thoroughly and was certified by Bureau Veritas Certification (BV Cert.) according to the international standard OHSAS 18001:2007 in December 2008. This certification initially had a three year validity. In December 2011 the OHSAS 18001:2007 was recertified with validity until December 2014 when it was recertified with validity until December 2017.

Personnel relations are at a particularly good level. The Company not only complies with the legal requirements, relating to worker participation and the protection of human rights, but also aims to cultivate mutual trust and co-operation. It operates a progressive system of human resources management policies, which enshrines clarity and fairness in matters of recruitment, transfers, promotion, remuneration, education and training, benefits, holidays and other types of leave of absence. The terms and conditions of employment are covered by a collective labor agreement approved by the Ministry of Labor. Refinery employees are unionized, the Union being a signatory to a collective labor agreement with the Federation of Greek Industries since 1986. In 2006 the Company and the Union of Refinery Employees jointly established a supplementary operational employment contractual agreement which they renew each year.

The approach of the Company to a salary policy is to set, manage and review salary levels in a consistent, transparent and objective way. The Company offers competitive and performance-linked remuneration packages.

Besides the basic pay and benefits package, the Company provides to its employees and their families a wide range of discretionary non-wage benefits. These benefits aim to cater for the employees' welfare and insurance beyond the requirements set out by the Law, to strengthen their bonds with the Company, to cultivate cooperation and team spirit, and to assist them to achieve a healthy work/life balance. Among the benefits introduced on the Company's initiative are:

- A life insurance and hospital care program for the employees and their dependant family members.
- A pension scheme.

It is recognized that in such a globalized and highly specialized sector as the one of oil refining and trading, the growth prospects of the Company and the implementation of its business policy are closely associated with the development of the skills and abilities of its employees. To this end, providing training to personnel with regard to aspects of professional skills and personal development is a matter of paramount importance for which the Company allocates significant resources both in terms of money and time. The Company training policy aims to ensure that the educational background and personal skills of each employee suit the requirements of his/her job position the ultimate objective being to provide continuous, responsible, flexible and complete professional training.

Each year MOTOR OIL compiles a Sustainability Report which describes in detail, through representative to the refining sector indices and measurements, all activities of the Group relating to its commitment to the Environment, Health & Safety and Employees. These Sustainability Reports also provide an analysis regarding the allocation of the Social Product among selected stakeholder groups: Personnel, State, Shareholders, Banks, Suppliers (not including suppliers of crude oil, other raw materials and finished products), Society at large (donations and sponsorships) as well as expenditure for Health & Safety and the Environment, insurance premium for Company installations and premises, repairs and preventive maintenance. The Sustainability Reports are available in electronic form through the Company website www.moh.gr at the particular option Environment & Society / Sustainability Reports and in print from through the Communication, Corporate Affairs and SCR Section.

XI. KEY FINANCIAL RATIOS

The basic financial ratios of the **Group** and the **Company** are presented hereunder:

	GROUP		COMPANY	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
Debt to Capital Ratio Total Borrowings Total Borrowings + Shareholders' Equity	58.96%	69.13%	54.82%	66.63%
Debt to Equity Ratio Total Borrowings Shareholders' Equity	1.44	2.24	1.21	2.00
	GROUP		**COMPANY**	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
Return on Assets (ROA) Earnings after Tax (EAT) Total Assets	10.38%	7.98%	12.07%	9.99%
Return on Equity (ROE) Earnings after Tax (EAT) Shareholders' Equity	36.14%	33.95%	38.86%	39.37%
Return on Invested Capital (ROIC) Earnings after Tax + Finance Costs Total Net Borrowings + Shareholders' Equity + Provisions	28.21%	19.98%	34.49%	24.62%

XII. RELATED PARTY TRANSACTIONS

The transactions between the Company and its subsidiaries have been eliminated on consolidation. Details regarding the transactions of the Company, its subsidiaries and the related parties disclosed as associates are presented hereunder:

GROUP					
Amounts in thousand Euro	**Sales of products and services**	**Other expenses**	**Dividends**	**Receivables**	**Payables**
Subsidiaries:					
ELECTROPARAGOGI SOUSSAKI S.A.	2			2	
Associates:					
SEKAVIN	68,808	288		2,678	2
EAKAA. S.A.			213		
AIR LIFT	38	19		1	5
KORINTHOS POWER S.A.	455			17	
RAPI.		391			58
M & M	18	1,113			133
SHELL-MOH AVIATION	87,650	363		4,112	9
ALL SPORTS	38	35		13	123
NUR-MOH	1				
Total	157,010	2,209	213	6,823	330

COMPANY					
Amounts in thousand Euro	**Sales of products and services**	**Other expenses**	**Dividends**	**Receivables**	**Payables**
Subsidiaries:					
AVIN OIL A.V.E.N.E.P	501,548	26,514		62,138	1,004
ELECTROPARAGOGI SOUSSAKI S.A	1			1	
OFC AVIATION FUEL SERVICES			663	73	
CORAL INNOVATIONS	46			23	
LPC	15,518	9,760		2,001	1,531
MAKREON S.A	52	27		31	2
CORAL A.E.	412,140	12,775		35,984	1,637
MYRTEA	59	1		47	
ERMIS	134	5		107	1
CORAL GAS	50,519	1		3,570	
MOTOR OIL FINANCE PLC		19,253			346,752
MOTOR OIL CYPRUS		2			50
KEPED		1			
ENDIALE		19			5
CYTOP	34			3	
DMCC	52,833	501		1,560	
MOTOR OIL TRADING	5,187	36		355	
B.F.S. A.E.	24	1,532			1
Total	1,038,095	70,427	663	105,893	350,983
Associates:					
SEKAVIN	68,794	288		2,674	2
EAKAA. S.A.			213		
KORINTHOS POWER S.A	455			15	
SHELL-MOH AVIATION	83,508	363		4,001	
AIR LIFT SA		19			5
M & M	18	26			
NUR-MOH	1				
Total	152,776	696	213	6,690	7
Grand Total	1,190,871	71,123	876	112,583	350,990

The sales of goods to associates were made on an arm's length basis.
The amounts outstanding will be settled in cash. An amount of USD 2,500 thousand has been granted by the related party "SEKAVIN S.A." as guarantee.
No provision has been made for doubtful debts in respect of the amounts due from related parties.

Compensation of key management personnel

The remuneration of directors and other members of key management for the Group for the period 1/1–31/12/2016 and 1/1–31/12/2015 amounted to € 9,503 thousand and € 8,214 thousand respectively. (Company: 1/1–31/12/2016: € 4,893 thousand, 1/1–31/12/2015: € 3,877 thousand).

The remuneration of members of the Board of Directors are proposed and approved by the Annual General Assembly Meeting of the shareholders.

Other short term benefits granted to key management for the Group for the period 1/1–31/12/2016 amounted to € 353 thousand and for 1/1–31/12/2015 amounted to € 305 thousand respectively. (Company: 1/1–31/12/2016: € 73 thousand, 1/1–31/12/2015: € 74 thousand).

There are leaving indemnities paid to key management for the Group for the period 1/1–31/12/2016 of € 111 thousand and €157 thousand paid for the respective comparative period.

Directors' Transactions

There are no other transactions, receivables and/or payables between Group companies and key management personnel.

Maroussi, 10 March 2017

THE CHAIRMAN OF THE BoD & MANAGING DIRECTOR	**THE VICE CHAIRMAN**
VARDIS J. VARDINOYANNIS	JOHN V. VARDINOYANNIS
THE DEPUTY MANAGING DIRECTORS	**THE MEMBERS OF THE BoD**
JOHN N. KOSMADAKIS	NIKOS TH. VARDINOYANNIS
PETROS T. TZANNETAKIS	GEORGE P. ALEXANDRIDIS
	MICHAEL – MATHEOS J. STIAKAKIS
	ANASTASIOS – ELIAS CHR. TRIANDAPHYLLIDIS
	ANTONIOS TH. THEOHARIS
	THEOFANIS CHR. VOUTSARAS
	NIKI D. STOUFI

CORPORATE GOVERNANCE STATEMENT (LAW 4403/2016)

The present statement that has been compiled according to the provisions of the Law 4403/2016 (Government Gazette A' 125/7.7.2016) forms part of the Report of the Board of Directors of the year 2016 of "MOTOR OIL (HELLAS) S.A." as a separate section of it and it is available through the Company's website, **www.moh.gr**.

Part of the information included in the topics that follow is included in the Report of the Board of Directors and the Notes of the year 2016 Financial Statements of "MOTOR OIL (HELLAS) S.A.".

a) The legal framework governing the operation of "MOTOR OIL (HELLAS) S.A." and defining its obligations as a company having its registered address in Greece is comprised by Law 2190/1920 on "Societés Anonymes" as this Law is in force following its occasional amendments. Apart from Law 2190/1920, issues such as the objectives of the Company, its corporate goals, its duration, the responsibilities of the Board of Directors and of the General Assemblies, the appointment of Certified Auditors, the liquidation and dissolution of the Company are set at its "Company Memorandum & Articles of Association", available on its website. As a Company the shares of which are listed on the Athens Stock Exchange, "MOTOR OIL (HELLAS) S.A." is under additional obligations pertaining to the specific areas of corporate governance, dissemination of information to the investment community and the supervisory authorities, the publication of financial statements etc. The fundamental law that stipulates and imposes the additional obligations is the Law 3016/2002 (Government Gazette A' 110/17.5.2002), a copy of which is also available on the Company website. Moreover, the Athens Stock Exchange Regulation, available on the website of Hellenic Exchanges Group **www.helex.gr**, clearly sets forth the obligations of listed companies in conformity to the decisions of the Board of Directors of the Athens Stock Exchange. Lastly, the introduction of Law 3693/2008 (Government Gazette A' 174/25.8.2008) made mandatory for all listed companies the establishment of an Audit Committee.

The Board of Directors of "MOTOR OIL (HELLAS) S.A." compiled, customized and approved the Corporate Governance Code (CGC) of the Company on March 31st, 2011. This deadline was set by the Hellenic Capital Market Commission with a relevant recommendation sent to all companies with shares listed on the Athens Stock Exchange. Since then, following amendments of the Company Memorandum & Articles of Association as well as additional changes relating to the organization chart of the Company and the composition of its Board, the initial CGC has been revised four times. The Board approval dates of the revised CGC were August 1st, 2011, January 25th, 2012, January 30th, 2015 and January 25th, 2016 respectively. All versions of the Corporate Governance Code of the Company have been submitted to the Hellenic Capital Market Commission. The present Corporate Governance Code of the Company with the indication "January 2016" is available through the Company's website at the particular option "About MOH / Corporate Governance".

b) No practices additional to those provided by the law are applied as the Board of "MOTOR OIL (HELLAS) S.A." deems the existing institutional and regulatory framework in place in our country as fully adequate. It must be stressed that the Company fulfilled requirements introduced by the Law 3016/2002 prior to the listing of its shares on the Athens Stock Exchange, such as, indicatively and not exhaustively, the Internal Audit Department (in operation since 1990) as well as the Audit and Remuneration Committees (since 1996). In addition, the balance between executive and non-executive members of the Board of Directors in the case of “MOTOR OIL (HELLAS) S.A.” existed before the Law 3016/2002 took effect. Each section of “MOTOR OIL (HELLAS) S.A.” Corporate Governance Code (for example: Board of Directors, Remuneration Policy, General Meetings etc.) apart from general reference to the institutional, regulatory and legal framework governing the operation of the Company, offers a brief description of the “best practices of corporate governance” followed by the Company on a timely basis.

c) With reference to the way of function of the Internal Control and Risk Management – ICRM – Systems of the Company in relation to the process of preparation of Company financial statements, it is hereby mentioned that the reporting system of “MOTOR OIL (HELLAS) S.A.” utilizes a professional and highly advanced software for reporting to the top management of the Company and to external users. Comprehensive Income and Financial Position Statements along with other relevant analyses are reported to top management on a monthly basis and are prepared on a stand alone and consolidated basis for management and statutory reporting purposes in accordance to IFRS and the pertaining regulations on a quarterly basis. Both management and statutory reporting include all the necessary information pertinent to an up-to-date controlling system, including sales, costs, operating profit and other details. All management reports include current period data which are compared to the budget that was approved by the BoD and to the Previous Year comparative reporting period. All the statutory interim and year end reporting financial statements are prepared in accordance to IFRS, include all the necessary financial information and disclosures according to IFRS, are respectively reviewed by the Audit Committee and duly approved by the BoD as a whole.

d) The total number of shares issued by “MOTOR OIL (HELLAS) S.A.” are 110,782,980 with a nominal value of Euro 0.75 per share. All shares are common registered shares and besides these no other securities exist, embodying rights to Company control. Each share embodies the right of one vote in the General Assemblies (see next section “ee”). The major shareholder of the Company is the entity under the legal name “Petroventure Holdings Limited” which holds 40.00% of the voting rights of “MOTOR OIL (HELLAS) S.A.”. The holding company under the legal name “Motor Oil Holdings Ltd” is the controlling shareholder of “Petroventure Holdings Limited”. “Motor Oil Holdings Ltd” directly holds 1.49% of the voting rights of MOTOR OIL (HELLAS) S.A. (based on Share Register data as of December 31st, 2016). Consequently, “Motor Oil Holdings Ltd” controls on aggregate (directly and indirectly) 41.49% of the voting rights of MOTOR OIL (HELLAS) S.A. The Company shares are traded on the Athens Stock Exchange and there are no restrictions to their transferability, there are no shareholders with special control rights nor are there any restrictions on voting rights. Furthermore, there are no agreements according to the provisions of article 11a of Law 3371/2005, cases (i) and (j), (i.e., material agreements put in force, revised or terminated in case of change in the control of the Company as a result of a public offer as well as agreements with BoD members or Company personnel that provide for compensation in case of retirement without material reason or termination of their term or employment as a result of public offer). Furthermore, it is noted that the BoD or its members have no authority on matters of share capital increase, issuance of new shares or purchase of treasury shares. The authority on the above mentioned matters lies with the General Assembly of the Shareholders of “MOTOR OIL (HELLAS) S.A.”. Amending the Company Memorandum and Articles of Association of “MOTOR OIL (HELLAS) S.A.” requires a 2/3 quorum of the paid up share capital of the Company and a decision supported by a 2/3 majority of the present or represented shareholders.

The General Assembly Meetings of the Shareholders of “MOTOR OIL (HELLAS) S.A.” are convened in accordance with the provisions of Law 3884/2010 (Government Gazette A’ 168/24.9.2010). As standard practice the notice to the shareholders is released earlier than the 20 day deadline prior to the General Assembly meeting stipulated by the Codified Law 2190/1920 while the article 39 excerpts on minority rights (paragraphs 2, 2a, 4 and 5 of the Codified Law 2190/1920), the comments of the Board of Directors on the items on the agenda, the forms – of – proxy for representation at the General Assembly and the number of Company shares with the corresponding number of voting rights are available on the Company website. Due to the absence of a relevant provision in the Company Memorandum & Articles of Association, electronic or remote participation and voting at the General Assembly or a possible Repeat Assembly is not feasible. By the same token, due to lack of any relevant provision in the Company Memorandum & Articles of Association, the Company does not accept electronic acknowledgments of appointments of shareholder representatives and their revocations. According to article 23 of the Company Memorandum & Articles of Association, the General Assembly of the shareholders is the supreme authority of the Company and is entitled to deliberate on any Company affair or matter. Moreover, the same article provides that the General Assembly is the only authoritative body entitled to deliberate on issues such as, indicatively and not exhaustively, amendments to the Company Memorandum & Articles of Association, election of new BoD members, any increase or decrease of the Company share capital, appointment of Certified Auditors, approval of annual financial statements and distribution of Company earnings, issue of bonds and bond loans[1]. In as much as the General Assembly is convened in conformity to the provisions of Company Memorandum & Articles of Association, its decisions are binding on all shareholders, including those absent and those dissenting. The General Assembly of Company Shareholders convenes regularly once for every fiscal year until the tenth (10th) calendar day of the ninth month following the end of the fiscal year at the latest (Law 4403/2016) and extraordinarily whenever the BoD deems necessary. Shareholders may participate in the General Assembly meeting either in person or through a representative, provided the relevant transcripts are submitted to the Company at the latest three (3) days prior to the General Assembly meeting. Shareholders who do not send to the Company the relevant documents within the above deadline participate in the General Assembly only by the latter’s permission. Participation in the General Assembly meeting does not require the prior blocking of shares. Shareholder status is verified through a relevant certificate issued by “Hellenic Central Securities Depository - HCSD.” and by means of the electronic file listing all shareholders entitled to participate and vote at the General Assembly meeting which “MOTOR OIL (HELLAS) S.A.” receives from “HCSD”. The General Assembly is at a quorum and lawfully

[1] According to article 7 of the Codified Memorandum & Articles of Association of the Company, in cases of common bond loans the responsibility may rest and on the Board of Directors provided the decision is taken with a majority of at least two thirds (2/3) of its total number of its members

transacts its business on the issues on the agenda insofar as those present or represented at the meeting comprise at least 1/5 of the paid up share capital of the Company. If such a quorum is not attained, a Repeat meeting is convened within twenty days that is considered at quorum and lawfully transacts its business on the issues of the original attendance regardless of the percentage of attendees. Decisions on the items of the agenda require simple majority of those shareholders present or represented. According to article 29 of the Company Memorandum & Articles of Association, for decisions involving 1) change of nationality, 2) change of business activity, 3) increase in shareholder obligations, 4) increase of Company share capital, 5) decrease of Company share capital, 6) issuance of a convertible bond loan, 7) change in earnings distribution policy, 8) merger / split / extension of lifetime / dissolution of the Company, 9) amendment of the Company Memorandum & Articles of Association, the Assembly convenes lawfully insofar as present or represented in it are shareholders representing 2/3 of Company paid up share capital. In case such a quorum is not attained, a first Repeat General Assembly meeting is called that is considered being at quorum if 50% of the Company paid up share capital is represented in it. If neither this quorum is attained, a second Repeat General Assembly meeting is called that is considered being at quorum if 20% of Company paid up share capital is represented in it. Voting at General Assembly meetings takes place in an open/overt manner; nevertheless the General Assembly may opt for a secret vote prior to voting on any particular issue. Each share carries the right to one vote. The General Assembly makes its decisions on the basis of absolute majority of present and represented shareholders. Specifically on issues requiring increased quorum, the General Assembly decides on the basis of 2/3 majority of present and represented shareholders.

e) The Board of Directors is the Company's highest governing body, and, according to article 14 of its Company Memorandum & Articles of Association, may consist of eight (8) up to twelve (12) members elected by the General Assembly of Company shareholders for a one – year term. Members of the Board of Directors may be shareholders or not, as well as "MOTOR OIL (HELLAS) S.A." executives. BoD members may be re-elected indefinitely without limitation and may be freely recalled. Immediately following its election by the General Assembly, the Board of Directors organizes as a Body Corporate and appoints its Chairman, up to two (2) Vice-Chairmen and the Managing Director. The Chairman of the Board of Directors presides over the meetings and, in case he is absent or cannot attend he is substituted by one of the Vice-Chairmen; in case both Vice-Chairmen are absent or cannot attend they are substituted by any member appointed by the BoD. The Chairman, the Vice-Chairmen and the Managing Director may always be re-elected. The Board of Directors holds a meeting whenever the law, the Company Memorandum & Articles of Association and the Company requirements dictate so and is considered to be at quorum and lawfully conducts its business when half the number plus one of its members are present or represented, but the number of present members can never be less than three. The decisions of the Board of Directors are taken on the basis of simple majority of the present and represented members. Each member is entitled to one vote while the Chairman or any person acting as Chairman has no decisive vote at any meeting of the Board of Directors.

According to Article 20 of the Company's Memorandum & Articles of Association of "MOTOR OIL (HELLAS) S.A.", the Board of Directors is entitled to deliberate on any affair, matter, deed or action pertaining to the administration of the Company in general or to the management of Company property, to represent the Company in all its relations and transactions with third parties and to take any action that enhances its goals, including the granting to third parties of Company guarantees on behalf of affiliated or related companies, with the exception of only those matters that, according to the provisions of the Law or the Company Memorandum & Articles of Association, fall within the jurisdiction of the General Assembly. The responsibility of the Directors regarding the management of "MOTOR OIL (HELLAS) S.A." is limited to carrying out their duties and terminates each year following approval of the Company financial statements by the General Assembly and their subsequent discharge from any liability for damages in connection with the financial statements.

The current Board of MOTOR OIL (HELLAS) S.A. is composed as follows:

Name	**Board Position**	**Member Identity***
Vardis J. Vardinoyannis	Chairman and Managing Director	Executive
John V. Vardinoyannis	Vice Chairman	Executive
John N. Kosmadakis	Deputy Managing Director	Executive
Petros Tz. Tzannetakis	Deputy Managing Director	Executive
Nikos Th. Vardinoyannis	Member	Non-executive
George P. Alexandridis	Member	Non-executive
Michael-Matheos J. Stiakakis	Member	Executive
Theofanis Chr. Voutsaras	Member	Executive
Niki D. Stoufi	Member	Non-executive
Anastasios-Elias Chr. Triandaphyllidis	Member	Non-executive-independent
Antonios Th. Theocharis	Member	Non-executive-independent

* According to Greek Corporate Governance Law 3016/2002

The Annual Ordinary General Assembly of Company shareholders dated June 8th, 2016 elected the Board members and, subsequently, the Board organized as a Body corporate in its meeting dated June 9th, 2016. The independent members were appointed by the General Assembly according to the provisions of the Law 3016/2002.

Within the framework of the Board of Directors two (2) three - member committees operate:

- Audit Committee
- Remuneration Committee.

The Audit Committee of "MOTOR OIL (HELLAS) S.A." is composed as follows:

Chairman: G. P. Alexandridis
Members: A. Th. Theocharis, A-E. Chr. Triandaphyllidis
Substitute Member: N. D. Stoufi

The members of the Audit Committee are appointed by the Annual Ordinary General Assembly Meeting of Company's Shareholders, according to the provisions of the Law

3693/2008, and are sufficiently knowledgeable and experienced on matters of financial reporting, accounting and auditing. The Board of Directors proposal to the General Assembly concerning the appointment of a Certified Public Accountant[2] or Auditing Firm is made following an Audit Committee recommendation.

The responsibilities of the Audit Committee, according to the Law 3693/2008, indicatively and not exhaustively, include:

- monitoring the financial reporting process
- monitoring and ensuring the effective operation of the Internal Control and Risk Management systems
- monitoring and securing the proper operation of the Internal Audit Department
- monitoring the process of the mandatory review of the financial statements on a stand alone and consolidated basis
- monitoring of and following-up on matters relating to the sustained objectivity, impartiality and independence on the part of the Certified Public Accountant.

The Audit Committee assists the Board in a decisive manner to accomplish its duties being the recipient of all reports of the Company's Internal Audit Department, while the Certified Public Accountant or the Auditing Firm report to the Committee on aspects associated with the course and the outcome of statutory audits, submitting a special report on any weakness of the internal control systems, focussing, in particular, on weak points of the process relating to financial reporting and the preparation of financial statements.

The Remuneration Committee of "MOTOR OIL (HELLAS) S.A." is composed as follows:

Chairman: G. P. Alexandridis
Members: A-E. Chr. Triandaphyllidis, A. Th. Theocharis
Substitute Member: Th. Chr. Voutsaras

The Remuneration Committee functions in an advisory and supportive manner to the Board according to the authorities granted to it by the latter. It tackles Company personnel recruitment issues and proposes the remuneration policy, including benefits and incentives for the executives and key personnel, at the same time supervising the implementation of this policy.

f) The Company opts to maintain a Board with a number of Directors notably greater than the minimum of 8 provided by the Company Memorandum & Articles of Association so that a wide array and range of knowledge, qualifications and experience conducive to corporate goals are represented in it, at the same time ensuring, to the degree this is feasible, a relative balance between the number of executive and non - executive members. There is no limiting factor associated with the age, gender, educational background and professional history regarding the appointment of the Directors. The top management team handling the bulk of the day to day business matters of MOTOR OIL consists of founding executives,

[2] According to article 34 of the Company Memorandum & Articles of Association, Certified Public Accountants may be re-appointed, but not for more than five (5) consecutive fiscal years.

undoubtedly in possession of excellent knowledge of the special characteristics pertaining to the refining sector, and the General Managers of Finance, Marketing, Production, and Administration each of whom has many years of working experience in diverse areas of Company activities. In this manner it is secured that the decisions taken are characterized by objectivity and conventionality and at the same time stand out for their long term perspective as a means to maximize shareholder value over time.

G.E.MI. 272801000
Prefecture of Attica Registration Nr 1482/06/B/86/26
Headquarters: Irodou Attikou 12^{A} – 151 24 Maroussi Attica

ANNUAL FINANCIAL STATEMENTS

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS THAT HAVE BEEN ADOPTED BY THE EUROPEAN UNION

FOR THE YEAR 1 JANUARY – 31 DECEMBER 2016

FOR THE GROUP AND THE COMPANY

"MOTOR OIL (HELLAS) CORINTH REFINERIES S.A."

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The financial statements of the Group and the Company, set out on pages 1 to 50, were approved at the Board of Directors' Meeting dated Friday 10 March, 2017 and are subject to the approval of the Annual Ordinary General Meeting of Company Shareholders.

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	THE DEPUTY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
VARDIS J. VARDINOYANNIS	PETROS T. TZANNETAKIS	THEODOROS N. PORFIRIS

Statement of Profit or Loss and other Comprehensive Income for the year ended 31 December 2016

Period 1/1 – 31/12/2016		**GROUP**		**COMPANY**	
In 000's Euros (except for "earnings per share")	**Note**	**1/1-31/12/2016**	**1/1-31/12/2015**	**1/1-31/12/2016**	**1/1-31/12/2015**
Operating results					
Revenue	4	6,356,855	7,060,215	4,511,920	5,276,468
Cost of Sales		(5,629,892)	(6,425,497)	(4,045,921)	(4,868,089)
Gross profit		**726,963**	**634,718**	**465,999**	**408,379**
Distribution expenses		(219,597)	(209,690)	(39,696)	(41,727)
Administrative expenses		(59,527)	(55,204)	(31,210)	(28,030)
Other operating income / (expenses)	6	57,189	21,938	52,691	15,573
Profit from operations		**505,028**	**391,762**	**447,784**	**354,195**
Investment income	8	1,525	1,641	2,005	2,151
Share of profit / (loss) in associates	16	2,452	(2,841)	0	0
Finance costs	9	(80,245)	(87,714)	(56,985)	(64,548)
Profit / (loss) before tax		**428,760**	**302,848**	**392,804**	**291,798**
Income taxes	10	(130,915)	(97,871)	(118,164)	(90,694)
Profit / (loss) after tax		**297,845**	**204,977**	**274,640**	**201,104**
Attributable to Company Shareholders		**298,167**	**204,814**	**274,640**	**201,104**
Non-controlling interest	28	**(322)**	**163**	**0**	**0**
Earnings per share basic and diluted (in Euro)	12	**2.69**	**1.85**	**2.48**	**1.82**
Other comprehensive income					
Actuarial gains / (losses) on defined benefit plans	36	(1,493)	3,686	(1,628)	2,679
Subsidiary Share Capital increase expenses		(48)	(57)	0	0
Exchange differences on translating foreign operations		155	(24)	0	0
Income tax on other comprehensive income		447	(1,563)	472	(1,287)
		(939)	**2,042**	**(1,156)**	**1,392**
Total comprehensive income		**296,906**	**207,019**	**273,484**	**202,496**
Attributable to Company Shareholders		**297,183**	**206,861**	**273,484**	**202,496**
Non-controlling interest		**(277)**	**158**	**0**	**0**

The notes on pages 8-50 are an integral part of these Financial Statements.

Statement of Financial Position as at 31 December 2016

(In 000's Euros)	Note	GROUP 31/12/2016	GROUP 31/12/2015	COMPANY 31/12/2016	COMPANY 31/12/2015
Assets					
Non-current assets					
Goodwill	13	19,772	19,772	0	0
Other intangible assets	14	24,178	27,005	529	557
Property, Plant and Equipment	15	1,005,856	1,015,969	690,712	709,270
Investments in subsidiaries and associates	16	47,374	48,128	185,515	183,165
Available for sale investments	17	937	937	937	937
Other non-current assets	18	35,527	38,175	2,174	1,874
Total		**1,133,644**	**1,149,986**	**879,867**	**895,803**
Current assets					
Inventories	19	560,930	411,025	458,395	326,608
Trade and other receivables	20	368,243	336,468	247,582	222,104
Cash and cash equivalents	21	800,285	670,559	688,735	567,726
Total		**1,729,458**	**1,418,052**	**1,394,712**	**1,116,438**
Total Assets	5	**2,863,102**	**2,568,038**	**2,274,579**	**2,012,241**
Liabilities					
Non-current liabilities					
Borrowings	22	1,092,655	1,107,603	856,360	856,365
Provision for retirement benefit obligation	36	50,344	52,255	38,326	40,033
Deferred tax liabilities	23	77,879	72,160	56,314	51,015
Other non-current liabilities		11,277	10,473	0	0
Other non-current provisions		1,025	1,273	0	0
Deferred income	33	5,728	7,333	5,728	7,333
Total		**1,238,908**	**1,251,097**	**956,728**	**954,746**
Current liabilities					
Trade and other payables	24	635,684	400,218	542,515	318,501
Provision for retirement benefit obligation	36	2,331	2,431	2,221	2,344
Income taxes		69,866	65,170	64,401	61,148
Borrowings	22	91,183	244,238	969	163,654
Deferred income	33	1,070	1,070	1,070	1,070
Total		**800,134**	**713,127**	**611,176**	**546,717**
Total Liabilities		**2,039,042**	**1,964,224**	**1,567,904**	**1,501,463**
Equity					
Share capital	25	83,088	83,088	83,088	83,088
Reserves	26	79,888	75,309	51,268	51,268
Retained earnings	27	658,963	443,946	572,319	376,422
Equity attributable to Company Shareholders		**821,939**	**602,343**	**706,675**	**510,778**
Non-controlling interest	28	**2,121**	**1,471**	**0**	**0**
Total Equity		**824,060**	**603,814**	**706,675**	**510,778**
Total Equity and Liabilities		**2,863,102**	**2,568,038**	**2,274,579**	**2,012,241**

The notes on pages 8-50 are an integral part of these Financial Statements.

Statement of Changes in Equity for the year ended 31st December 2016

GROUP

(In 000's Euros)	Share Capital	Reserves	Retained Earnings	Total	Non-controlling interests	Total
Balance as at 1 January 2015	**83,088**	**51,170**	**277,803**	**412,061**	**1,438**	**413,499**
Profit/(loss) for the period	0	0	204,814	204,814	163	204,977
Other comprehensive income for the period	0	0	2,047	2,047	(5)	2,042
Total comprehensive income for the period	0	0	206,861	206,861	158	207,019
Transfer to Reserves	0	24,139	(24,139)	0	0	0
Dividends Paid	0	0	(16,579)	(16,579)	(125)	(16,704)
Balance as at 31 December 2015	**83,088**	**75,309**	**443,946**	**602,343**	**1,471**	**603,814**
Profit/(loss) for the period	0	0	298,167	298,167	(322)	297,845
Other comprehensive income for the period	0	0	(984)	(984)	45	(939)
Total comprehensive income for the period	0	0	297,183	297,183	(277)	296,906
Non-controlling interest arising on the acquisition of subsidiary	0	0	0	0	1,050	1,050
Transfer to Reserves	0	4,579	(4,579)	0	0	0
Dividends Paid	0	0	(77,587)	(77,587)	(123)	(77,710)
Balance as at 31 December 2016	**83,088**	**79,888**	**658,963**	**821,939**	**2,121**	**824,060**

COMPANY

(In 000's Euros)	Share capital	Reserves	Retained Earnings	Total
Balance as at 1 January 2015	**83,088**	**47,964**	**193,809**	**324,861**
Profit/(loss) for the period	0	0	201,104	201,104
Other comprehensive income for the period	0	0	1,392	1,392
Total comprehensive income for the period	0	0	202,496	202,496
Transfer to Reserves		3,304	(3,304)	0
Dividends Paid	0	0	(16,579)	(16,579)
Balance as at 31 December 2015	**83,088**	**51,268**	**376,422**	**510,778**
Profit/(loss) for the period	0	0	273,484	273,484
Other comprehensive income for the period	0	0	0	0
Total comprehensive income for the period	0	0	273,484	273,484
Transfer to Reserves	0	0	0	0
Dividends Paid	0	0	(77,587)	(77,587)
Balance as at 31 December 2016	**83,088**	**51,268**	**572,319**	**706,675**

The notes on pages 8-50 are an integral part of these Financial Statements

Statement of Cash Flows for the year ended 31 December 2016

(In 000's Euros)		GROUP		COMPANY	
	Note	1/1 – 31/12/2016	1/1 – 31/12/2015	1/1 – 31/12/2016	1/1 – 31/12/2015
Operating activities					
Profit before tax		428,760	302,848	392,804	291,798
Adjustments for:					
Depreciation & amortization of non-current assets	7	98,467	100,292	75,070	76,600
Provisions		2,973	9,124	(3,783)	611
Exchange differences		3,820	20,305	3,815	20,362
Investment income / (expenses)		1,050	4,425	(609)	(2,398)
Finance costs	9	80,245	87,714	56,985	64,548
Movements in working capital:					
Decrease / (increase) in inventories		(149,905)	74,507	(131,787)	75,284
Decrease / (increase) in receivables		(39,074)	50,991	(26,771)	(5,450)
(Decrease) / increase in payables (excluding borrowings)		237,698	(274,139)	222,895	(272,465)
Less:					
Finance costs paid		(78,170)	(90,173)	(55,790)	(66,369)
Taxes paid		(119,693)	(4,493)	(108,811)	0
Net cash (used in) / from operating activities (a)		**466,171**	**466,171**	**424,018**	**182,521**
Investing activities					
Acquisition of subsidiaries, affiliates, joint-ventures and other investments		1,050	0	(2,350)	0
Purchase of shares		0	(51)	0	(63)
Purchase of tangible and intangible assets		(87,892)	(43,063)	(58,309)	(19,784)
Proceeds on disposal of tangible and intangible assets		413	700	14	240
Interest received		694	538	476	344
Dividends received	8	213	135	876	807
Net cash (used in) / from investing activities (b)		**(85,522)**	**(85,522)**	**(59,293)**	**(18,456)**
Financing activities					
Proceeds from borrowings		199,552	685,333	157,500	547,472
Repayments of borrowings		(372,740)	(544,913)	(323,604)	(395,283)
Repayments of finance leases		(25)	(24)	(25)	(24)
Dividends paid		(77,710)	(16,704)	(77,587)	(16,579)
Net cash (used in) / from financing activities (c)		**(250,923)**	**123,692**	**(243,716)**	**135,586**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)		**129,726**	**363,352**	**121,009**	**299,651**
Cash and cash equivalents at the beginning of the year		**670,559**	**307,207**	**567,726**	**268,075**
Cash and cash equivalents at the end of the year		**800,285**	**670,559**	**688,735**	**567,726**

The notes on pages 8-50 are an integral part of these Financial Statements.

Notes to the Financial Statements

1. General Information

The parent company of the MOTOR OIL Group (the Group) is the entity under the trade name “Motor Oil (Hellas) Corinth Refineries S.A.” (the Company), which is registered in Greece as a public company (Societe Anonyme) according to the provisions of Company Law 2190/1920, with headquarters in Maroussi of Attica, 12A Irodou Attikou street, 151 24. The Group operates in the oil sector with its main activities being oil refining and oil products trading.

Major shareholders of the Company are “Petroventure Holdings Limited” holding 40% and “Doson Investments Company” holding 6.1%.

These financial statements are presented in Euro because that is the currency of the primary economic environment in which the Group operates.

As at 31 December 2016 the number of employees, for the Group and the Company, was 2,017 and 1,190 respectively (31/12/2015: Group: 2,008 persons, Company: 1,191 persons).

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

New standards, amendments of existing standards and interpretations: Specifically new standards, amendment to existing standards and interpretations have been issued, which are obligatory for accounting periods beginning during the present fiscal year or at a future time, and have an impact in the Group’s financial data. The Group’s appraisal regarding the effects from adopting new standards, amendment to existing standards and interpretations is analyzed below.

New Standards amendments and IFRICs effective for periods beginning on or after January 1st 2016

IAS 19 (Amendment) “Employee Benefits (2011)”

IAS 19 is amended so as to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that, contributions can but are not required, to be recognized as a reduction in the service cost in the period in which they are due. The amendment has not yet been endorsed by the European Union.

Amendments to standards being part of the annual improvement program of 2013 of the IASB (International Accounting Standards Board) 2010 – 2012 Cycle.

The following amendments describe the most important changes brought to the IFRS due to the results of the annual improvement program of the IASB published in December 2013. The amendments have not yet been endorsed by the E.U.

IFRS 2 “Share Based Payments”
Amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition'.

IFRS 3 “Business Combinations”
The amendment requires contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

IFRS 8 "Operating Segments"
The amendment requires disclosure of the judgments made by management in applying the aggregation criteria to operating segments. Further to this the amendment clarifies that reconciliations of segment assets to total assets are only required if segment assets are reported regularly to the CODM.

IFRS 13 "Fair Value Measurement"
The amendment clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis.

IAS 16 and IAS 38 "Property Plant & Equipment" & "Intangible Assets"
These standards are amended so as to clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount.

IAS 24 "Related Party Disclosures"
Clarifies that payments to entities providing key management personnel services are to be disclosed as transactions with related parties.

IFRS 11 (Amendment) "Joint Arrangements"

Amends IFRS 11 to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 *Business Combinations*) ,to apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11 and also disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).The amendment has not yet been endorsed by the European Union.

IAS 1 (Amendment) "Presentation OF Financial Statements"

Amends IAS 1 *Presentation of Financial Statements* to address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes:
clarification that in formation should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply; clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss; additional examples of possible ways of ordering the notes to clarify that understand ability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1. The amendment has not yet been endorsed by the European Union.

IFRS (Amendment) 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"

Amends IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:
The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value. A subsidiary that provides services related to the parent's investment activities should not

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

be consolidated if the subsidiary itself is an investment entity. When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries. An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12. The amendment has not yet been endorsed by the European Union.

IAS 16 (Amendment) "Property Plant & Equipment" and IAS 38 "Intangible Assets"

Amends IAS 16 & IAS 38 so as to clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. Also the amendment introduces a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. Further to this the amendment adds guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset. The amendment has not yet been endorsed by the European Union.

IAS 27 (Amendment) "Separate Financial Statements"

Amends IAS 27 Separate Financial Statements to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements. This amendment has not yet been endorsed by the EU.

<u>Amendments to standards being part of the annual improvement program of 2014 of the IASB (International Accounting Standards Board) 2012 – 2014 Cycle.</u>

The amendments set out below describe the key changes to four IFRSs. The improvements have not yet been endorsed by the EU.

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

Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

IFRS 7 "Financial Instruments – Disclosures"

Provides additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

IAS 9 "Financial Instruments"

Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

IAS 34 "Interim Financial Reporting"

Clarifies the meaning of 'elsewhere in the interim report' and requires a cross-reference.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

<u>Amendments to standards being part of the annual improvement program of 2016 of the IASB (International Accounting Standards Board) 2014 – 2016 Cycle.</u>

The following amendments describe the most important changes brought to the IFRS due to the results of the annual improvement program of the IASB published in December 2016. The amendments have been endorsed by the E.U. on February 2017.

IFRS 1 'First-time Adoption of International Financial Reporting Standards'

Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose

IFRS 12 'Disclosure of Interests in Other Entities'

Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

IAS 28 'Investments in Associates and Joint Ventures'

Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

<u>New Standards effective for periods beginning on or after January 1st 2017</u>

IAS 12 (Amendment) "Recognition of Deferred Tax Assets for Unrealised Losses''
Amends IAS 12 Income Taxes in order to clarify that unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use. The carrying amount of an asset does not limit the estimation of probable future taxable profits and estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.
An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type. The amendment *has* not yet been endorsed by the EU.

IAS 7 (Amendment) "Disclosure Initiative''

Amends <u>IAS 7</u> Statement of Cash Flows in order to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.
To achieve this objective, the IASB requires that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.The IASB defines liabilities arising from financing activities as liabilities "for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities". It also stresses that the new disclosure requirements also relate to changes in financial assets if they meet the same definition.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

The amendments state that one way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. This is a departure from the *December 2014 exposure draft* that had proposed that such a reconciliation should be required.
Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities.
The amendment has not yet been endorsed by the EU.

New Standards effective for periods beginning on or after January 1st 2018

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:
Identify the contract with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contracts, recognise revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. The standard has not yet been endorsed by the European Union.

IFRS 9 "Financial Instruments" (applies to annual periods beginning on or after 1 January 2018)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with: the classification and measurement of financial assets and financial liabilities, impairment of financial assets, hedge accounting, derecognition of financial assets and liabilities. The Company is currently investigating the impact of IFRS 9 on its financial statements. The Company cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Company decide if IFRS 9 will be adopted prior to 1 January 2018. The standard has not yet been endorsed by the European Union.

IFRS 9 "Financial Instruments: Hedge accounting and amendments to IFRS 9, IFRS7 and IAS 39" (effective for annual periods beginning on or after 1 January 2018)

The IASB has published IFRS 9 Hedge Accounting, the third phase of its replacement of IAS 39 which establishes a more principles based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The second amendment requires changes in the fair value of an entity's debt attributable to changes in an entity's own credit risk to be recognised in other comprehensive income and the third amendment is the removal of the mandatory effective date of IFRS 9. These amendments have not yet been endorsed by the EU.

New Standards effective for periods beginning on or after January 1st 2019

IFRS 16 "Leases''

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard has not yet been endorsed by the EU.

3. Significant Accounting Policies

The principal accounting policies adopted which are consistent with those of the prior year are set out below:

3.1. Basis of Accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) which are effective at the date of preparing these financial statements as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU).

The financial statements have been prepared on the historical cost basis.

3.2. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries) at the end of each respective year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to profit and loss in the year of acquisition.

The accounting policies of the subsidiaries are in line with those used by the parent Company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3.3. Investments in Associates

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting unless these investments are classified as available for sale. Investments in associates are carried in the Statement of Financial Position at cost as adjusted by post-acquisition changes in the Group’s share of the net assets of the associate, less any impairment in the value of individual investments. Losses of the associates in excess of the Group’s interest in those associates are not recognized.

Profits or losses arising on transactions among associates and companies included in the consolidated accounts are eliminated to the extent of the Group’s share in the associates. Losses may be an indication of impairment of the asset, in which case a relevant provision is accounted for.

Investments in subsidiaries and associates are stated in the Company’s stand alone Statement of Financial Position at cost and are subject to impairment testing.

3.4. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and sales related taxes.

Revenue is recognized when goods are delivered and/or ownership has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

3.4. Revenue Recognition (continued)

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

3.5. The Group as lessor

Rental income from operating leases is recognized in accordance with the lease agreements as it is considered a more representative method of recognizing the respective income.

The subsidiaries "AVIN OIL S.A.", "CORAL A.E." and "CORAL GAS A.E.B.E.Y.", lease under long-term operating leases (approx. at least 9 years), immovable property for use as gas stations, which in turn are subleased to physical/legal persons for a corresponding period for the operation of fuel and lubricants stations under the "AVIN", "SHELL", "CYCLON", "CORAL" and "CORAL GAS" trademarks.

3.6. The Group as lessee

Assets held under finance leases are recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs (see below).

Rentals payable under operating leases are charged to profit or loss and recognized in accordance with the lease agreements as it is considered a more representative method of recognizing the respective expense.

3.7. Foreign Currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the Statement of Financial Position date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year.

3.8. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the year in which they are incurred.

3.9. Government Grants

Government grants towards staff re-training costs are recognized as income over the years necessary to match them with the related costs and are deducted from the related expense.

Government grants relating to property, plant and equipment are treated as deferred income and released to profit and loss over the expected useful lives of the assets concerned.

3.10. Retirement Benefit Costs

Payments to defined contribution retirement plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each year end Statement of Financial Position. Actuarial gains and losses are recognized in Other Comprehensive income in the year in which they are incurred.

Past service cost is recognized immediately in the profit or loss to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

3.11. Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense, plus any additional tax from the prior years' tax audit.

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax expense is calculated using tax rates that have been enacted or will be enacted by the Statement of Financial Position date.

Deferred tax is recognized on differences, between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realized. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.12. Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment at each Statement of Financial Position date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.13. Internally-generated Intangible Assets-Research and Development Expenditure

Expenditure on research activities is recognized as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from the Group's development is recognized only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Internally-generated intangible assets are amortised on a straight-line basis over their useful lives. Where no internally-generated intangible asset can be recognized, development expenditure is recognized as an expense in the year in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

3.14. Other intangible assets

Other intangible assets include Group's software, the rights to operate gas stations on property leased by the subsidiaries "Avin Oil S.A.", "CORAL A.E." and "CORAL GAS A.E.B.E.Y." the Company's emission rights and furthermore, Service Concession Arrangements for the subsidiary "OFC Aviation Fuel Services S.A.".

These assets are initially recorded at acquisition cost and then amortised, using the straight-line method, based on expected useful lives in respect of software, and in respect of leasing/emission rights, over the year the Group entitled to the rights.

The useful life of these assets is noted bellow:

Intangible assets	**Useful life (years)**
Software	3 – 8
Leasing Rights (average)	10
Service Concession Arrangements	21

The estimated useful lives of intangible assets, residual values if any and depreciation method are reviewed on a frequent basis, with the effect of any changes in estimate to be accounted for on a prospective basis.

3.15. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Statement of Financial Position at cost less any subsequent accumulated depreciation.

Assets under construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognized impairment loss.

Fixed assets under finance leases are depreciated over the same useful lives as the Group owned fixed assets or if shorter over the year as per the finance lease contract.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Fixed Asset category	Useful life (years)
Land	Indefinite
Buildings	5-40
Plant & machinery	7-33
Transportation equipment	7-20
Fixtures and equipment	4-33

The estimated useful lives, residual values and depreciation method are reviewed on a frequent basis, with the effect of any changes in estimate to be accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.16. Emission Rights

Emission Rights are accounted under the net liability method, based on which the Company recognizes a liability for emissions when the emissions are made and are in excess of the allowances allocated. Emission Rights acquired in excess of those required to cover the relevant shortages are recognized as expenses. Profit and/or loss arising on sale of emission rights is recognized in the Statement of Comprehensive Income.

3.17. Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

The Company is a member of IOPC Fund (International Oil Pollution Compensation Fund) an international organization for the protection of the environment from oil pollution. The Company is obliged to pay contributions to this organization in case of a relevant accident. These liabilities are accounted for according to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" while any refund is accounted for upon receipt.

3.18. Customer Loyalty Programmes

The Group applies a Customer Loyalty Programme concerning retail sales through gas stations. Retail customers collect bonus points thru purchase of goods and services, which they may then cash to get free gifts based on specific catalogs. The Group applies IFRIC 13 "Customer Loyalty Programmes" accounting for the income from the transaction when the bonus points are cashed and the Group completes its granting obligation. The bonus points valuation granted by the Group from the rewarding of the customer loyalty programme is done at fair value based on a generally accepted method. The cost from the cash of the bonus points is charged in the cost of goods sold.

3.19. Impairment of tangible and intangible assets excluding goodwill

At each Statement of Financial Position date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.20. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

3.21. Financial Instruments

Financial assets and financial liabilities are recognized on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

3.22. Trade receivables

Trade receivables are mostly interest free and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

3.23. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with original maturity of 3 months or less.

3.24. Available for sale investments (AFS)

Investments in unlisted equity shares are classified as available for sale and are stated at cost as their fair value cannot be reliably estimated. Dividends on AFS equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established.

3.25. Shares available for sale

Investments in listed companies' shares are classified as short-term available for sale and are valuated at the listed price at the reporting date. Dividends on AFS shares are recognized in profit or loss when the Group's right to receive the dividends is established. Any profit or loss from sale or from valuation of these shares is recognised in profit or loss for the year.

3.26. Borrowings

Interest-bearing bank loans and overdrafts are recorded according to the amounts received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the profit and loss account using effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

3.27. Trade payables

Trade payables are interest free and are stated at their nominal value.

3.28. Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Group management's best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date, and are discounted to present value where the effect is material.

Provisions for restructuring costs, if any, are recognized only when the entity has developed a detailed formal plan for the restructuring and have announced details of plan to the involved parties. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

3.29. Main sources of uncertainty in accounting estimations

The preparation of the financial statements presumes that various estimations and assumptions are made by the Group's management which possibly affect the carrying values of assets and liabilities and the required disclosures for contingent assets and liabilities as well as the amounts of income and expenses recognized. The use of adequate information and the subjective judgment used are basic for the estimates made for the valuation of assets, liabilities derived from employees benefit plans, impairment of receivables, unaudited tax years and pending legal cases. The estimations are important but not restrictive. The actual future events may differ than the above estimations. The major sources of uncertainty in accounting estimations by the Group's management, concern mainly the legal cases and the financial years not audited by the tax authorities, as described in detail in note 30.
Other sources of uncertainty relate to the assumptions made by the management regarding the employee benefit plans such as payroll increase, remaining years to retirement, inflation rates etc. and other sources of uncertainty is the estimation for the useful life of fixed assets. The above estimations and assumptions are based on the up to date experience of the management and are revaluated so as to be up to date with the current market conditions.

4. Revenue

Sales revenue is analysed as follows:	**GROUP**		**COMPANY**	
(In 000's Euros)	**1/1 – 31/12/16**	**1/1 – 31/12/15**	**1/1 – 31/12/16**	**1/1 – 31/12/15**
Sales of goods	6,356,855	7,060,215	4,511,920	5,276,468

The following table provides an analysis of the sales by geographical market (domestic – export) and by category of goods sold (products - merchandise - services):

4. Revenue (continued)

GROUP

(In 000's Euros)			1/1 – 31/12/16				1/1 – 31/12/15	
SALES:	**DOMESTIC**	**BUNKERING**	**EXPORT**	**TOTAL**	**DOMESTIC**	**BUNKERING**	**EXPORT**	**TOTAL**
Products	973,593	275,376	2,647,751	3,896,720	1,182,095	352,652	3,270,642	4,805,389
Merchandise	1,998,738	91,824	360,191	2,450,753	1,929,624	86,149	229,071	2,244,844
Services	9,382	0	0	9,382	9,982	0	0	9,982
Total	**2,981,713**	**367,200**	**3,007,942**	**6,356,855**	**3,121,701**	**438,801**	**3,499,713**	**7,060,215**

COMPANY

(In 000's Euros)			1/1 – 31/12/16				1/1 – 31/12/15	
SALES:	**DOMESTIC**	**BUNKERING**	**EXPORT**	**TOTAL**	**DOMESTIC**	**BUNKERING**	**EXPORT**	**TOTAL**
Products	948,330	266,180	2,637,669	3,852,179	1,156,868	344,932	3,266,398	4,768,198
Merchandise	279,913	74,884	304,944	659,741	294,784	66,576	146,910	508,270
Total	**1,228,243**	**341,064**	**2,942,613**	**4,511,920**	**1,451,652**	**411,508**	**3,413,308**	**5,276,468**

Based on historical information of the Company and the Group, the percentage of quarterly sales volume varies from 26% to 28% on annual sales volume and thus there is no material seasonality on the total sales volume.

5. Operating Segments

The major part of the Group's activities takes place in Greece, given that most Group Companies included in the consolidation, are based in Greece, while those having activities abroad are very few with limited operations for the time being.

All operational segments fall under one of three distinct activity categories: Refinery's Activities, Sales to/from Gas Stations and Services.

Segment information is presented in the following table:

5. Operating Segments (continued)

Statement of Comprehensive Income
(In 000's Euros)

Business Operations	**1/1-31/12/2016** Refinery's Activities	Trading/ Sales to Gas Stations	Services	Eliminations/ Adjustments	Total	**1/1-31/12/2015** Refinery's Activities	Trading/ Sales to Gas Stations	Services	Eliminations/ Adjustments	Total
Sales to third parties	3,542,588	2,804,885	9,382	0	6,356,855	4,235,742	2,814,491	9,982	0	7,060,215
Inter-segment sales	1,039,132	951,936	2,869	(1,993,937)	0	1,098,662	912,498	1,089	(2,012,249)	0
Total revenue	**4,581,720**	**3,756,821**	**12,251**	**(1,993,937)**	**6,356,855**	**5,334,404**	**3,726,989**	**11,071**	**(2,012,249)**	**7,060,215**
Cost of Sales	(4,102,772)	(3,514,736)	(9,010)	1,996,626	(5,629,892)	(4,915,142)	(3,522,479)	(7,122)	2,019,246	(6,425,497)
Gross profit	**478,948**	**242,085**	**3,241**	**2,689**	**726,963**	**419,262**	**204,510**	**3,949**	**6,997**	**634,718**
Distribution expenses	(46,603)	(204,078)	(6)	31,090	(219,597)	(47,949)	(185,973)	0	24,232	(209,690)
Administrative expenses	(34,862)	(23,758)	(1,854)	947	(59,527)	(31,732)	(23,054)	(1,225)	807	(55,204)
Other operating income / (expenses)	53,903	39,242	35	(35,991)	57,189	16,877	35,411	21	(30,371)	21,938
Segment result from operations	**451,386**	**53,491**	**1,416**	**(1,265)**	**505,028**	**356,458**	**30,894**	**2,745**	**1,665**	**391,762**
Investment income	2,022	4,543	19,283	(24,323)	1,525	2,209	5,241	19,221	(25,030)	1,641
Share of profit / (loss) in associates	0	0	0	2,452	2,452	0	0	0	(2,841)	(2,841)
Finance costs	(58,316)	(22,627)	(19,093)	19,791	(80,245)	(65,780)	(23,719)	(19,066)	20,851	(87,714)
Profit before tax	**395,092**	**35,407**	**1,606**	**(3,345)**	**428,760**	**292,887**	**12,416**	**2,900**	**(5,355)**	**302,848**
Other information										
Capital additions	61,974	25,065	853	0	**87,892**	20,382	22,591	90	0	**43,063**
Depreciation/amortization for the period	76,245	20,383	1,931	(93)	**98,467**	77,368	20,918	1,910	95	**100,292**
Financial Position										
Assets										
Segment assets (excluding investments)	2,150,025	797,624	374,031	(506,889)	**2,814,791**	1,883,996	712,134	390,520	(467,677)	**2,518,973**
Investments in subsidiaries & associates	185,763	20,494	88	(158,971)	**47,374**	183,413	19,044	64	(154,393)	**48,128**
Available for Sale Investments	937	0	0	0	**937**	937	0	0	0	**937**
Total assets	**2,336,725**	**818,118**	**374,119**	**(665,860)**	**2,863,102**	**2,068,346**	**731,178**	**390,584**	**(622,070)**	**2,568,038**
Liabilities										
Total liabilities	**1,604,669**	**585,160**	**357,167**	**(507,954)**	**2,039,042**	**1,535,999**	**523,340**	**374,425**	**(469,540)**	**1,964,224**

The company's export sales to Saudi Aramco (Saudi Arabia) represent a percentage greater than 10% on the total sales. These sales amount for 2016 to € 649,633 thousand (percentage 14.4%). The respective sales for prior year were also sales to Saudi Aramco (Saudi Arabia) amounting to € 580,920 thousand (percentage 11.0%).

6. Other Operating Income / (Expenses)

(In 000's Euros)	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Foreign exchange differences – (losses) / gains	21,942	(19,497)	21,175	(19,561)
Income from services rendered	30,562	38,470	31,329	36,055
Rental Income	4,483	3,089	347	358
Other Income/(Expenses)	202	(124)	(160)	(1,279)
Total	**57,189**	**21,938**	**52,691**	**15,573**

7. Profit from Operations

Profit from operations for the Company and the Group includes as well the following debits/(credits):

(In 000's Euros)	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Amortization of intangible assets	4,968	4,778	190	137
Depreciation of property, plant and equipment	93,499	95,514	74,880	76,463
Total depreciation / amortization	**98,467**	**100,292**	**75,070**	**76,600**
Government grants amortisation	(1,070)	(1,156)	(1,070)	(1,070)
Impairment loss recognized on trade receivables (note 20)	9,254	5,727	0	0
Personnel salaries and other benefits	117,699	105,949	82,482	71,729
Employer's contribution	25,236	27,272	17,205	16,472
Provision for retirement benefit obligation (note 36)	4,691	4,928	4,214	4,060
Total payroll costs	**147,626**	**138,149**	**103,901**	**92,261**

The audit fees for the fiscal year 2016 amounted to € 1,122 thousand for the Group and € 350 thousand for the company.

8. Investment Income

Investments income is analyzed as follows:

(In 000's Euros)	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Interest received	1,300	1,375	1,129	1,344
Dividends received	213	135	876	807
Other Investment Income	12	131	0	0
Total investment income	**1,525**	**1,641**	**2,005**	**2,151**

9. Finance Costs

(In 000's Euros)	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Interest on long-term borrowings	68,300	64,400	51,703	53,418
Interest on short-term borrowings	3,454	15,914	315	5,969
Interest on finance leases	4	6	4	6
Other interest expenses	8,487	7,394	4,963	5,155
Total finance cost	**80,245**	**87,714**	**56,985**	**64,548**

10. Income Tax Expenses

(In 000's Euros)	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Current corporate tax for the period	124,280	67,788	112,393	61,148
Taxation of reserves	3	0	0	0
Tax audit differences from prior years	466	1,337	0	0
	124,749	69,125	112,393	61,148
Deferred Tax on Comprehensive Income	6,166	28,746	5,771	29,545
Deferred Tax on Other Comprehensive Income	(447)	1,563	(472)	1,288
Deferred tax (note 23)	5,719	30,309	5,299	30,833
Total	**130,468**	**99,434**	**117,692**	**91,981**

Current corporate income tax is calculated at 29% on the tax assessable profit for the period 1/1-31/12/2016 as well as for the comparative period 1/1–31/12/2015.

The Group´s and the Company´s total income tax rate for the year can be reconciled to the accounting profit as follows:

	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Tax at the corporate income tax rate	29.0%	29.0%	29.0%	29.0%
Tax effects from:				
Tax audit differences	0.1%	0.4%	0.0%	-0.0%
Tax effect of non tax deductible expenses	-1.0%	-1.0%	0.7%	-0.7%
Tax effect of tax free income	0.2%	0.4%	-0.1%	0.1%
Other effects (deferred taxation - change in tax rate)	2.1%	4.0%	0.5%	2.7%
Effective tax rate for the year	**30.4%**	**32.8%**	**30.1%**	**31.1%**

11. Dividends

Dividends to shareholders are proposed by management at each year end and are subject to approval by the Annual General Assembly Meeting. The Management of the Company proposes to the coming Annual General Assembly Meeting to be held within June 2017, the distribution of total gross dividends for 2016 of € 99,704,682 (€0.90 per share). It is noted that a gross interim dividend of € 22,156,596 (€ 0.20 per share) for 2016 has been paid and accounted for in December 2016, while the remaining € 0.70 per share will be paid and accounted for in 2017.

12. Earnings per Share

The calculation of the basic earnings per share attributable to the ordinary equity holders is based on the following data:

	GROUP		COMPANY	
	1/1-31/12/16	1/1-31/12/15	1/1-31/12/16	1/1-31/12/15
Earnings/(losses) attributable to Company Shareholders (in 000's Euros)	**298,167**	**204,814**	**274,640**	**201,104**
Weighted average number of ordinary shares for the purposes of basic earnings per share	110,782,980	110,782,980	110,782,980	110,782,980
Earnings/(losses) per share, basic and diluted in €	**2.69**	**1.85**	**2.48**	**1.82**

13. Goodwill

Goodwill for the Group as at 31 December 2016 was € 19,772 thousand. Goodwill concerns the subsidiaries "AVIN OIL S.A." for € 16,200 thousand and "CORAL GAS A.E.B.E.Y." for € 3,105 thousand. Addition of € 467 thousand refers to the goodwill transferred from the Group of "L.P.C. S.A." that was created from the spin-off of "CYCLON HELLAS A.E.". The Group performs on an annual basis impairment test on Goodwill from which no need for impairment has arisen.

(In 000's Euros)	31/12/2015	Additions	31/12/2016
Goodwill	**19,772**	**0**	**19,772**

14. Other Intangible Assets

The carrying amount of other intangible assets represents software purchases, rights to operate gas stations on leasehold property and service concession arrangements. The movement during years 1/1/2015– 31/12/2015 and 1/1/2016 – 31/12/2016 is presented in the following table.

	GROUP			COMPANY
(In 000's Euros)	**Software**	**Rights**	**Total**	**Software**
COST				
As at 1 January 2015	**27,518**	**51,822**	**79,340**	**10,973**
Additions	3,754	452	4,206	182
Disposals/Write-off	(976)	(275)	(1,251)	0
Transfers	269	0	269	128
As at 31 December 2015	**30,565**	**51,999**	**82,564**	**11,283**
Additions	1,765	282	2,047	161
Disposals/Write-off	(137)	(293)	(430)	0
Transfers	112	0	112	0
As at 31 December 2016	**32,305**	**51,988**	**84,293**	**11,444**
DEPRECIATION				
As at 1 January 2015	**24,940**	**27,021**	**51,961**	**10,588**
Charge for the year	1,480	3,299	4,779	137
Disposals/Write-off	(976)	(205)	(1,181)	0
As at 31 December 2015	**25,444**	**30,115**	**55,559**	**10,725**
Charge for the year	1,430	3,538	4,968	190
Disposals/Write-off	(119)	(293)	(412)	0
As at 31 December 2016	**26,755**	**33,360**	**60,115**	**10,915**
CARRYING AMOUNT				
As at 31 December 2015	**5,121**	**21,884**	**27,005**	**557**
As at 31 December 2016	**5,550**	**18,628**	**24,178**	**529**

Rights in the table above include rights to operate gas stations on property leased by the subsidiaries, "Avin Oil S.A.", "CORAL A.E." and "CORAL GAS A.E.B.E.Y." and the service concession arrangements that concern concession rights for the use of land and installations for aviation fuel by the subsidiary "OFC Aviation Fuel Services S.A.". The Group has no internally generated intangible assets from research and development.

15. Property, Plant and Equipment

The movement in the **Group's** fixed assets during years 1/1/2015– 31/12/2015 and 1/1/2016 – 31/12/2016 is presented below:

GROUP *(In 000's Euros)*	**Land and buildings**	**Plant & machinery / Transportation means**	**Fixtures and equipment**	**Assets under construction**	**Equipment under finance lease at cost**	**Total**
COST						
As at 1 January 2015	**468,646**	**1,411,594**	**77,265**	**52,902**	**1,153**	**2,011,560**
Additions	2,524	8,733	3,585	24,015	0	38,857
Disposals/Write-off	(6,188)	(12,366)	(5,287)	0	0	(23,841)
Transfers	11,745	20,897	1,146	(34,057)	0	(269)
As at 31 December 2015	**476,727**	**1,428,858**	**76,709**	**42,860**	**1,153**	**2,026,307**
Additions	5,672	11,386	4,414	64,356	17	85,845
Disposals/Write-off	(301)	(2,269)	(657)	(1,811)	0	(5,038)
Transfers	3,112	42,611	(727)	(45,108)	0	(112)
As at 31 December 2016	**485,210**	**1,480,586**	**79,739**	**60,297**	**1,170**	**2,107,002**
DEPRECIATION						
As at 1 January 2015	**121,172**	**766,792**	**48,748**	**0**	**1,063**	**937,775**
Additions	10,568	80,403	4,518	0	24	95,513
Disposals/Write-off	(5,888)	(11,933)	(5,129)	0	0	(22,950)
As at 31 December 2015	**125,852**	**835,262**	**48,137**	**0**	**1,087**	**1,010,338**
Additions	10,133	78,960	4,380	0	26	93,499
Disposals/Write-off	(243)	(1,892)	(556)	0	0	(2,691)
Transfers	(58)	2,022	(1,964)	0	0	0
As at 31 December 2016	**135,684**	**914,352**	**49,997**	**0**	**1,113**	**1,101,146**
CARRYING AMOUNT						
As at 31 December 2015	**350,875**	**593,596**	**28,572**	**42,860**	**66**	**1,015,969**
As at 31 December 2016	**349,526**	**566,234**	**29,742**	**60,297**	**57**	**1,005,856**

In addition, the Company's obligations under finance leases are secured by the lessor's title to the leased assets, which have a carrying amount of € 57 thousand (31/12/2015: € 66 thousand).

15. Property, Plant and Equipment (continued)

The movement in the **Company's** fixed assets during years 1/1/2015 – 31/12/2015 and 1/1/2016 – 31/12/2016 is presented below:

COMPANY *(In 000's Euros)*	**Land and buildings**	**Plant & machinery / Transportation means**	**Fixtures and equipment**	**Assets under construction**	**Equipment under finance lease at cost**	**Total**
COST						
As at 1 January 2015	**181,987**	**1,221,290**	**20,306**	**37,307**	**1,153**	**1,462,043**
Additions	88	906	873	17,735	0	19,602
Disposals/Write-off	0	0	(9)	0	0	(9)
Transfers	1,993	18,784	213	(21,118)	0	(128)
As at 31 December 2015	**184,068**	**1,240,980**	**21,383**	**33,924**	**1,153**	**1,481,508**
Additions	168	461	1,083	56,436	0	58,148
Disposals/Write-off	0	(14)	(2)	(1,811)	0	(1,827)
Transfers	542	35,210	351	(36,103)	0	0
As at 31 December 2016	**184,778**	**1,276,637**	**22,815**	**52,446**	**1,153**	**1,537,829**
DEPRECIATION						
As at 1 January 2015	**33,122**	**645,663**	**15,936**	**0**	**1,063**	**695,784**
Additions	4,177	71,224	1,038	0	24	76,463
Disposals/Write-off	0	0	(9)	0	0	(9)
As at 31 December 2015	**37,299**	**716,887**	**16,965**	**0**	**1,087**	**772,238**
Additions	4,267	69,521	1,067	0	25	74,880
Disposals/Write-off	0	0	(1)	0	0	(1)
As at 31 December 2016	**41,566**	**786,408**	**18,031**	**0**	**1,112**	**847,117**
CARRYING AMOUNT						
As at 31 December 2015	**146,769**	**524,093**	**4,418**	**33,924**	**66**	**709,270**
As at 31 December 2016	**143,212**	**490,229**	**4,784**	**52,446**	**41**	**690,712**

In addition, the Company's obligations under finance leases are secured by the lessor's title to the leased assets, which have a carrying amount of € 41 thousand (31/12/2015: € 66 thousand).

16. Investments in Subsidiaries and Associates

Details of the Group's and the Company's subsidiaries and associates are as follows:

Name	Place of incorporation and operation	Proportion of ownership interest	Principal activity	Consolidation Method
AVIN OIL S.A.	Greece, Maroussi of Attika	100%	Petroleum Products	Full
MAKREON S.A.	Greece, Maroussi of Attika	100%	Trading, Transportation, Storage & Agency of Petroleum Products	Full
AVIN AKINITA S.A.	Greece, Maroussi of Attika	100%	Real Estate	Full
CORAL A.E. OIL AND CHEMICALS COMPANY (ex Shell Hellas S.A.)	Greece, Maroussi of Attika	100%	Petroleum Products	Full
ERMIS OIL TRANSPORTATION, EXPLOITATION, TRADING AND SERVICES COMPANY A.E.	Greece, Maroussi of Attika	100%	Petroleum Products	Full
MYRTEA OIL TRADING, STORAGE, AGENCY AND SERVICES COMPANY A.E.	Greece, Maroussi of Attika	100%	Petroleum Products	Full
CORAL PRODUCTS AND TRADING S.A.	Greece, Maroussi of Attika	100%	Petroleum Products	Full
CORAL INNOVATIONS A.E.	Greece, Perissos of Attika	100%	Trading and Services	Full
CORAL A.E. COMMERCIAL AND INDUSTRIAL GAS COMPANY (ex Shell Gas Commercial and Industrial S.A.)	Greece, Aspropyrgos Attika	100%	Liquefied Petroleum Gas	Full
OFC AVIATION FUEL SERVICES S.A.	Greece, Spata of Attika	92.06%	Aviation Fueling Systems	Full
ELECTROPARAGOGI SOUSSAKI S.A.	Greece, Maroussi of Attika	100%	Energy (dormant)	At cost
NUR-MOH HELIOTHERMAL S.A.	Greece, Maroussi of Attika	50%	Energy	Equity method
M and M GAS Co S.A.	Greece, Maroussi of Attika	50%	Natural Gas	Equity method
SHELL & MOH AVIATION FUELS S.A.	Greece, Maroussi of Attika	49%	Aviation Fuels	Equity method
RHODES-ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A.	Greece, Maroussi of Attika	37.49%	Aviation Fuels	Equity method
KORINTHOS POWER S.A.	Greece, Maroussi of Attika	35%	Energy	Equity method
MOTOR OIL (CYPRUS) LIMITED	Cyprus, Nicosia	100%	Investments and Commerce	Full
MOTOR OIL TRADING A.E.	Greece, Maroussi of Attika	100%	Petroleum Products	Full
MOTOR OIL MIDDLE EAST DMCC	United Arab Emirates, Dubai	100%	Petroleum Products	Full
BUILDING FACILITY SERVICES S.A.	Greece, Maroussi of Attika	100%	Facilities Management Services	Full
MOTOR OIL FINANCE PLC	United Kingdom, London	100%	Financial Services	Full
L.P.C A.E.	Greece, Aspropirgos Attika	100%	Petroleum Products	Full
ENDIALE S.A (ex ELTEPE S.A.)	Greece, Aspropirgos Attika	100%	Systems of alternative management of Lubricant wastes	Full
KEPED S.A.	Greece, Aspropirgos Attika	90%	Systems of alternative management of Lubricant wastes	Full

16. Investments in Subsidiaries and Associates (continued)

Name	Place of incorporation and operation	Proportion of ownership interest	Principal activity	Consolidation Method
ELTEPE J.V.	Greece, Aspropirgos Attika	100%	Collection and Trading of used Lubricants	Full
ARCELIA HOLDINGS LTD	Cyprus, Nicosia	100%	Holding Company	Full
BULVARIA OOD	Bulgaria, Sofia	100%	Lubricants Trading	Full
CYROM	Romania, Ilfov-Glina	100%	Lubricants Trading	Full
CYCLON LUBRICANTS DOO BEOGRAD	Serbia, Belgrade	100%	Lubricants Trading	Full
CYTOP A.E.	Greece, Aspropirgos Attika	100%	Collection and Trading of used Lubricants	Full
AL DERAA AL AFRIQUE JV	Libya, Tripoli	60%	Collection and Trading of used Lubricants	Full
VIPANOT	Greece, Aspropirgos Attika	12.83%	Establishment of Industrial Park	At Cost
MOTOR OIL VEGAS UPSTREAM Ltd	Cyprus, Nicosia	65.00%	Crude oil research, exploration and trading (upstream)	Full
MV UPSTREAM TANZANIA Ltd	Cyprus, Nicosia	65.00%	Crude oil research, exploration and trading (upstream)	Full
MVU BRAZOS CORP.	USA, Delaware	65.00%	Crude oil research, exploration and trading (upstream)	Full
DIORIGA GAS A.E.	Greece, Maroussi of Attika	100%	Natural Gas	Full
CORINTHIAN OIL LTD	United Kingdom, London	100%	Petroleum Products	Full

The companies “ELECTROPARAGOGI SOUSSAKI S.A.” and “VIPANOT” are not consolidated but are stated at cost due to their insignificance or/and because they are dormant.

Investments in subsidiaries and associates are as follows:

Name *(In 000’s Euros)*	GROUP 31/12/2016	GROUP 31/12/2015	COMPANY 31/12/2016	COMPANY 31/12/2015
AVIN OIL S.A.	0	0	53,013	53,013
MAKREON S.A.	0	0	0	0
AVIN AKINITA S.A.	0	0	0	0
CORAL A.E. OIL AND CHEMICALS COMPANY (ex Shell Hellas S.A.)	0	0	63,141	63,141
ERMIS OIL TRANSPORTATION, EXPLOITATION, TRADING AND SERVICES COMPANY A.E.	0	0	0	0
MYRTEA OIL TRADING, STORAGE, AGENCY AND SERVICES COMPANY A.E.	0	0	0	0
CORAL PRODUCTS AND TRADING	0	0	0	0
CORAL INNOVATIONS A.E.	0	0	0	0
CORAL A.E. COMMERCIAL AND INDUSTRIAL GAS COMPANY (ex Shell Gas Commercial and Industrial S.A.)	0	0	26,585	26,585
OFC AVIATION FUEL SERVICES S.A.	0	0	4,195	4,195
ELECTROPARAGOGI SOUSSAKI S.A.	610	610	244	244

16. Investments in Subsidiaries and Associates (continued)

NUR-MOH HELIOTHERMAL S.A.	93	338	338	338
M and M GAS Co S.A.	1,046	983	1,000	1,000
SHELL & MOH AVIATION FUELS A.E.	6,893	6,410	0	0
RHODES-ALEXANDROUPOLIS PETROLEUM INSTALLATION S.A.	909	933	0	0
KORINTHOS POWER S.A.	37,758	38,789	22,411	22,411
MOTOR OIL (CYPRUS) LIMITED	0	0	300	200
MOTOR OIL TRADING A.E.	0	0	0	0
MOTOR OIL MIDDLE EAST DMCC	0	0	0	0
BUILDING FACILITY SERVICES S.A.	0	0	450	150
MOTOR OIL FINANCE PLC	0	0	61	61
CYCLON S. A.	0	0		0
ENDIALE S.A (ex ELTEPE S.A.)	0	0	0	0
KEPED S.A.	0	0	0	0
L.P.C. S.A.	0	0	11,827	11,827
ELTEPE J.V.	0	0	0	0
ARCELIA HOLDINGS LTD	0	0	0	0
BULVARIA OOD	0	0	0	0
CYROM	0	0	0	0
CYCLON LUBRICANTS DOO BEOGRAD	0	0	0	0
CYTOP A.E.	0	0	0	0
AL DERAA AL AFRIQUE JV	0	0	0	0
VIPANOT	65	65	0	0
MOTOR OIL VEGAS UPSTREAM Ltd	0	0	1,950	0
MV UPSTREAM TANZANIA Ltd	0	0	0	0
MVU BRAZOS CORP.	0	0	0	0
DIORIGA GAS A.E.	0	0	0	0
CORINTHIAN OIL LTD	0	0	0	0
Total	**47,374**	**48,128**	**185,515**	**183,165**

Summarized financial information in respect of the Group's associates and subsidiaries is set out below:

(In 000's Euros)	**31/12/2016**	**31/12/2015**
Acquisition cost	27,439	27,439
Share of profits (loss)	19,935	20,689
Investments in subsidiaries & related parties	**47,374**	**48,128**

	31/12/2016	**31/12/2015**
Total assets	347,849	352,712
Total liabilities	(220,986)	(223,665)
Net assets	126,863	129,047
Group's share of related parties net assets	**46,606**	**47,115**

16. Investments in Subsidiaries and Associates (continued)

Group’s results from associates, are as follows:

(In 000’s Euros)	1/1–31/12/2016	1/1–31/12/2015
Sales	287,858	266,812
Profit after tax	4,400	(11,391)
Other Comprehensive Income	(12)	(11)
Comprehensive Income	4,388	(11,402)
Group’s share of associates´ profit for the year	**2,452**	**(2,841)**
Profit from the acquisition of associates	0	0
Total Group Share	**2,452**	**(2,841)**

17. Available for Sale Investments

Name	Place of incorporation	Proportion of ownership interest	Cost (*In 000’s Euros*)	Principal activity
HELLENIC ASSOCIATION OF INDEPENDENT POWER COMPANIES	Athens	16.67%	**10**	Promotion of Electric Power Issues
ATHENS AIRPORT FUEL PIPELINE CO. S.A.	Athens	16%	**927**	Aviation Fueling Systems

“HELLENIC ASSOCIATION OF INDEPENDENT POWER COMPANIES” (civil non profit organization) and “ATHENS AIRPORT FUEL PIPELINE CO. S.A.” are stated at cost as significant influence is not exercised on them.

18. Other Non-Current Assets

(In 000’s Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Cheques receivable	3,587	3,285	0	0
Prepaid expenses	21,671	22,235	971	754
Related Parties	0	235	704	746
Dealers loans	6,600	9,663	0	0
Guarantees	3,669	2,757	499	374
Total	**35,527**	**38,175**	**2,174**	**1,874**

Prepaid expenses include mainly long term rental prepayments to secure gas station premises and other prepayments of long term nature. These amounts are presented in the carrying amounts that approximate their fair value.

19. Inventories

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
Merchandise	121,243	86,222	34,546	16,380
Raw materials	178,016	153,335	171,135	149,229
Raw materials in transit	96,554	39,260	95,348	38,191
Products	165,117	132,208	157,366	122,808
Total inventories	**560,930**	**411,025**	**458,395**	**326,608**

It is noted that inventories are valued at each Statement of Financial Position date at the lower of cost and net realizable value. For the current and previous year certain inventories were valued at their net realizable value resulting in the following charges to the Statement of Comprehensive Income (cost of sales) for the Group for 2016 of € 1,372 thousand and for 2015 of € 29,700 thousand, whereas during the current period there was a reversal of impairment of € 3,147 thousand. The charge per inventory category is as follows:

(In 000's Euros)	**2016**	**2015**
Products	0	15,231
Merchandise	(1,775)	7,314
Raw materials	0	7,155
Total	**(1,775)**	**29,700**

The cost of inventories recognized as an expense within "Cost of Sales" during the current and prior year for the Group was for 2016 € 5,554,375 thousand and for 2015 € 6,316,795 thousand (Company: 2016 € 3,970,083 thousand, 2015 € 4,767,105 thousand).

20. Trade and Other Receivables

Trade and other receivables at the Statement of Financial Position date comprise mainly from amounts receivable from the sale of goods. Analysis of the trade and other receivable is as follows:

	GROUP		COMPANY	
(In 000's Euros)	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Trade receivables	318,624	257,208	104,982	72,772
Allowance for doubtful debts	(54,275)	(46,115)	0	0
Related parties	6,802	2,196	111,578	70,807
	271,151	213,289	216,560	143,579
Debtors	85,141	109,757	26,227	58,740
Allowance for doubtful debts	(3,530)	(2,437)	0	0
Related parties	21	528	300	85
	81,632	107,848	26,527	58,825
Prepayments	10,972	11,007	4,394	2,486
Related parties	0	0	0	17,112
	10,972	11,007	4,394	19,598
Other	4,488	4,324	101	102
Total	**368,243**	**336,468**	**247,582**	**222,104**

20. Trade and Other Receivables (continued)

The average credit period on sales of goods for the Company is 18 days and for the Group is 16 days while for 2015 was 10 days and 11 days respectively. After the specified credit period, interest is charged depending on the payment currency on the outstanding balance. Trade receivables are provided for, based on estimated doubtful debt amounts from the sale of goods, which are determined by reference to past default experience and to the advice of the groups lawyers.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributes to customers are reviewed on a permanent basis.

Ageing Analysis – Overdues in trade receivables and cheques receivable

	GROUP		COMPANY	
(In 000's Euros)	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
0-30 days	7,466	28,440	19,959	35,403
30-60 days	1,534	2,437	1	1
60-90 days	571	1,515	1,376	8
90-120 days	704	1,466	0	0
120 + days	45,650	21,539	1,191	1,173
Total	**55,925**	**55,397**	**22,527**	**36,585**

In the above mentioned mature receivables for the Group of € 55,925 thousand (2015: € 55,397 thousand), and for the Company € 22,527 thousand (2015: € 36,585 thousand), there is no provision accounted for since there is no change as there has not been a significant change in credit quality and the amounts are still considered fully recoverable. Furthermore the Group has obtained guarantees.

The provision for doubtful trade receivables has increased during 2016 by € 9,328 thousand in the subsidiaries books to cover additional bad debts.

Movement in the allowance for doubtful debts

	GROUP	
(In 000's Euros)	**31/12/2016**	**31/12/2015**
Balance as at the beginning of the year	48,552	43,324
Impairment losses recognized on receivables	9,328	5,727
Amounts used to write-off of receivables	(74)	(498)
Additions from subsidiary acquisition	0	0
Balance at year end	**57,806**	**48,553**

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customers' wide base. Accordingly, the management considers that there is no further credit provision required in excess of the existing allowance for doubtful debts.

Management considers that the carrying amount of trade and other receivables approximates their fair value.

21. Cash and Cash Equivalents

Cash and cash equivalents consist from cash and short term deposits of initial duration of three months or less. The book value for cash and cash equivalents approximates their fair value.

	GROUP		COMPANY	
(In 000's Euros)	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Cash at bank	791,238	661,444	688,288	565,512
Cash on hand	9,047	9,115	447	2,214
Total	**800,285**	**670,559**	**688,735**	**567,726**

22. Borrowings

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Borrowings	1,190,339	1,360,045	515,016	677,673
Borrowings from subsidiaries	0	0	344,350	344,350
Finance leases	57	66	41	66
Less: Bond loan expenses *	(6,558)	(8,270)	(2,078)	(2,070)
Total Borrowings	**1,183,838**	**1,351,841**	**857,329**	**1,020,019**

The borrowings are repayable as follows:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
On demand or within one year	91,183	244,238	969	163,654
In the second year	393,585	32,221	368,705	645
From the third to fifth year inclusive	705,628	1,083,652	489,733	857,790
After five years	0	0	0	0
Less: Bond loan expenses *	(6,558)	(8,270)	(2,078)	(2,070)
Total Borrowings	**1,183,838**	**1,351,841**	**857,329**	**1,020,019**
Less: Amount payable within 12 months (shown under current liabilities)	91,183	244,238	969	163,654
Amount payable after 12 months	1,092,655	1,107,603	856,360	856,365

*The bond loan expenses relating to the loan will be amortised over the number of years remaining to loan maturity.

Analysis of borrowings by currency on 31/12/2016 and 31/12/2015:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Loans' currency				
EURO	1,183,838	1,293,331	857,329	961,509
U.S. DOLLARS	0,00	58,510	0,00	58,510
Total	**1,183,838**	**1,351,841**	**857,329**	**1,020,019**

22. Borrowings (continued)

The Group's management considers that the carrying amount of the Group's borrowings approximates their fair value.
The Group has the following borrowings:

i) "**Motor Oil"** has been granted the following loans:
Within May 2014 the Group through "Motor Oil Finance plc" issued a bond loan for an amount of EURO 350 million through the offering of five year Senior Notes bearing a fixed rate coupon at 5.125%. The total net proceeds of this issue, excluding commissions and expenses were EURO 344.4 million and are used for refinancing existing indebtedness and general corporate purposes.
On 21/11/2014 the Company was granted a bond loan of € 135,000 thousand that expires on 21/11/2018. The purpose of this loan is the re-financing of existing bank loans.
On 22/4/2015 the Company was granted a bond loan of € 150,000 thousand that expires on 22/4/2018. The purpose of the loan is the refinancing of existing loans and the financing of other corporate needs. The balance as at 31/12/2016 is € 150,000 thousand.
On 31/3/2015 the Company raised an amount of € 70,000 thousand from the total granted bond loan of € 75,000 thousand that expires on 2/4/2018 with a 1+1 years extension option. The purpose of this loan is the re-financing of existing bank loans to long term.
On 16/6/2015 the Company was granted a bond loan of € 2,472 thousand. It will be repayable in semi-annual installments commencing on 16/12/2015 and up to 16/6/2019. The balance as at 31/12/2016 is € 1,545 thousand.
On 25/1/2016 the Company raised an amount of € 157,500 thousand from the total granted bond loan of € 185,000 thousand. The purpose of this loan is the refinancing of existing long term and short term loan. It will be repayable in annual installments that will end up on 25/1/2020.

Total short-term loans, (including short-term portion of long-term loans), with duration up to one-year amount to € 969 thousand.

ii) **"Avin Oil S.A."** was granted a bond loan of € 110,000 thousand. The purpose of this loan is the partial re-financing of existing bank loans. The duration of this loan is 5 years.
Total short-term loans, (including short-term portion of long-term loans) with duration up to one year, amount to € 47,600 thousand.

iii) **"OFC Aviation Fuel Services S.A."** has been granted a bond loan of nominal value € 16,400 thousand. It is repayable in quarterly instalments and based on the up-to-date drawdowns and repayments (including short-term portion of long-term loan) it amounts to € 1,676 thousand as at 31/12/2016. The maturity of this loan is on December 2018.

iv) **"Coral A.E."** has been granted a bond loan amounting to € 120,000 thousand, granted on 28/9/2015 in order to refinance respective existing loans. It is repayable in annual installments commencing on 28/9/2017 and up to 28/9/2019. Also on 30/5/2013 Coral A.E. was granted a bond loan of € 20,000 thousand to refinance respective existing loans. The settlement of this loan is in semi-annual instalments commencing on 31/5/2016 and up to 30/11/2017. Total short-term loans, (including short-term portion of long-term loans) with duration up to one-year amount to € 35,987 thousand.

22. Borrowings (continued)

v) **"L.P.C. S.A."** has been granted a bond loan amounting to € 18,000 thousand, issued on 31/5/2016 in order to refinance respective existing loans. It is repayable in annual installments commencing on 31/5/2017 and up to 31/5/2019 with 2 years' extension option. Total short-term loans (including short-term portion of long-term loans) with duration up to one year, amount to € 964 thousand.

The interest rate of the above borrowings is LIBOR/EURIBOR+SPREAD.

23. Deferred Tax

The following are the major deferred tax liabilities and assets recognized by the Group and the Company, and their movements thereon, during the current and prior reporting years:

(In 000's Euros)

GROUP

Deferred tax arising from:	01/01/2015	Statement of Comprehensive Income expense/(income)	31/12/2015	Statement of Comprehensive Income expense/(income)	31/12/2016
Difference in depreciation	85,832	3,455	89,287	(1,444)	87,843
Intangible assets recognized as expense	(2)	(39)	(41)	34	(7)
Exchange differences	4	(5,605)	(5,601)	9,119	3,518
Retirement benefit obligations	(14,110)	1,842	(12,268)	386	(11,882)
Capitalized borrowing cost	842	124	966	(499)	467
Tax loss carried (brought) forward for settlement	(36,931)	31,533	(5,398)	0	(5,398)
Additions on acquisition of subsidiary	2,529	(2,529)	0	0	0
Other temporary differences between tax and accounting basis	3,687	1,528	5,215	(1,877)	3,338
Total	**41,851**	**30,309**	**72,160**	**5,719**	**77,879**

(In 000's Euros)

COMPANY

Deferred tax arising from:	1/1/2015	Statement of Comprehensive Income expense/(income)	31/12/2015	Statement of Comprehensive Income expense/(income)	31/12/2016
Difference in depreciation	63,029	4,882	67,911	(2,240)	65,671
Exchange differences	0	(5,468)	(5,468)	8,871	3,403
Retirement benefit obligations	(11,557)	839	(10,718)	531	(10,187)
Capitalized borrowing cost	814	(193)	621	(323)	298
Tax loss carried (brought) forward for settlement	(31,533)	31,533	0	0	0
Other temporary differences between tax and accounting basis	(571)	(760)	(1,331)	(1,540)	(2,871)
Total	**20,182**	**30,833**	**51,015**	**5,299**	**56,314**

23. Deferred Tax (continued)

Certain deferred tax assets and liabilities have been offset. Deferred taxes are analyzed as follows:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Deferred tax liabilities	112,602	97,895	76,595	73,543
Deferred tax assets	(34,723)	(25,735)	(20,281)	(22,528)
Total	**77,879**	**72,160**	**56,314**	**51,015**

24. Trade and Other Payables

Trade and other payables mainly comprise amounts outstanding for trade purchases and operating expenses.
The major raw material for the Group's production of oil products is crude oil.
The average credit period received for purchases, is approximately 36 days while for 2015 was 22 days.
The Company's management considers that the carrying amount of trade payables approximates their fair value. Analysis of the trade and other payables, are as follows (excluding banks):

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Trade payable	553,107	321,994	495,759	282,749
Current liabilities of the related parties	330	176	4,192	1,760
Creditors	41,956	24,660	21,725	13,347
Current liabilities of the related parties	0	0	2,448	0
Other	40,291	53,388	18,391	20,645
Total	**635,684**	**400,218**	**542,515**	**318,501**

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

25. Share Capital

Share capital as at 31/12/2016 was € 83,088 thousand (31/12/2015: € 83,088 thousand) consists of 110,782,980 registered shares of par value € 0.75 each (31/12/2015: € 0.75 each).

26. Reserves

Reserves of the Group and the Company as at 31/12/2016 are € 79,888 thousand and € 51,268 thousand respectively (31/12/2015: € 75,309 thousand and € 51,268 thousand respectively) and were so formed as follows:

GROUP

(In 000's Euros)	Legal	Share Premium	Special	Tax-free	Foreign currency, translation reserve	Total
Balance as at 31 December 2015	**33,253**	**17,931**	**17,578**	**6,571**	**(24)**	**75,309**
Other	278	0	4,146	0	155	4.579
Balance as at 31 December 2016	**33.531**	**17,931**	**21.724**	**6,571**	**131**	**79,888**

26. Reserves (continued)

COMPANY

(In 000's Euros)	**Legal**	**Special**	**Tax-free**	**Total**
Balance as at 31 December 2015	**30,942**	**14,839**	**5,487**	**51,268**
Balance as at 31 December 2016	**30,942**	**14,839**	**5,487**	**51,268**

Legal Reserve

According to Codified Law 2190/1920 5% of profits after tax must be transferred to a legal reserve until this amount to 1/3 of the Company's share capital. This reserve cannot be distributed but may be used to offset losses.

Special Reserves

These are reserves of various types and according to various laws such as taxed accounting differences, differences on revaluation of share capital expressed in Euros and other special cases.

Extraordinary Reserves

Extraordinary reserves represent prior years retained earnings and may be distributed to the shareholders with no additional tax following a relevant decision by the Annual General Assembly Meeting.

Tax Free Reserves

These are tax reserves created based on qualifying capital expenditures. All tax free reserves, with the exception of those formed in accordance with Law 1828/82, may be capitalized if taxed at 5% for the parent company and 10% for the subsidiaries or if distributed will be subject to income tax at the prevailing rate. There is no time restriction for their distribution. Tax free reserve formed in accordance with Law 1828/82 can be capitalized to share capital within a period of three years from its creation without any tax obligation. In the event of distribution of the tax free reserves of the Group, an amount of up to € 1 million, approximately will be payable as tax at the tax rates currently prevailing.

27. Retained Earnings

(In 000's Euros)	**GROUP**	**COMPANY**
Balance as at 31 December 2014	**277,803**	**193,809**
Profit for the year	204,814	201,104
Other Comprehensive Income	2,047	1,392
Transfer to Reserves	(16,579)	(16,579)
Dividends	(24,139)	(3,304)
Balance as at 31 December 2015	**443,946**	**376,422**
Profit for the year	298,167	274,640
Other Comprehensive Income	(984)	(1,156)
Dividends	(77,587)	(77,587)
Transfer to Reserves	(4,579)	0
Balance as at 31 December 2016	**658,963**	**572,319**

28. Non-Controlling Interests

GROUP

(In 000's Euros)	2016	2015
Opening Balance	1,471	1,438
Additions on acquisition of subsidiaries	1,050	0
Other Comprehensive Income	45	(5)
Share of profits for the year	(322)	163
Dividends payable	(123)	(125)
Closing Balance	**2,121**	**1,471**

29. Establishment/Acquisition of Subsidiaries

29.1 MOTOR OIL VEGAS UPSTREAM LTD & MV UPSTREAM TANZANIA LTD

In July 2016 MOTOR OIL (HELLAS) S.A. paid in € 1,950,000 as share capital increase for its participation at 65% in MOTOR OIL VEGAS UPSTREAM Ltd based in Cyprus with major activities crude oil research, exploration and trading (upstream) which participates at 100% in MV UPSTREAM TANZANIA Ltd based also in Cyprus with major activities crude oil research, exploration and trading (upstream).

29.2 "MV BRAZOS Corp."

Within December 2016 "MOTOR OIL VEGAS UPSTREAM LIMITED", 65% subsidiary with registered office in Cyprus, established its 100% subsidiary "MVU Brazos corp." with registered office in U.S.A. and initial share capital of USD 3 mil. "MVU Brazos corp." acquired 100% rights of research and exploration of oil in Brookshire Salt Dome Project, U.S.A. at a cost of USD 2.56 mil.

29.3 "DIORIGA GAS A.E."

Within 2016 "MOTOR OIL (CYPRUS) LIMITED" 100% subsidiary with registered office in Cyprus, established its 100% subsidiary "DIORIGA GAS S.A." with an initial share capital of € 24,000. The new company has its registered office in Maroussi, Athens and its main activity is the trading of natural gas.

29.4 "CORINTHIAN OIL LTD"

In 2016 "MOTOR OIL (HELLAS) S.A." established "CORINTHIAN OIL LTD" based in London, with a share capital of € 1 at which it participates at 100%. The major activity of the new company is oil trading. The company remains dormant.

30. Contingent Liabilities/Commitments

There are legal claims by third parties against the Group amounting to approximately € 22.4 million (Company: approximately € 10.1 million). There are also legal claims of the Group against third parties amounting to approximately € 34.5 million (Company: approximately € 2.0 million). No provision has been made as all above cases concern legal claims where the final outcome cannot be currently estimated.

The Company and, consequently, the Group in order to complete its investments and its construction commitments, has entered into relevant contracts with construction companies, the non executed part of which, as at 31/12/2016, amounts to approximately € 8.1 million.

The Group companies have entered into contracts to purchase and sell crude oil and fuels, at current prices in line with the international market effective prices at the time the transaction takes place.

The bank accounts of the subsidiary "OFC AVIATION FUEL SERVICES S.A." are pledged as collateral for its bond loan repayment.

The total amount of letters of guarantee given as security for Group companies' liabilities as at 31/12/2016, amounted to € 122,997 thousand. The respective amount as at 31/12/2015 was € 120,158 thousand.

The total amount of letters of guarantee given as security for the Company's liabilities as at 31/12/2016, amounted to € 16,161 thousand. The respective amount as at 31/12/2015 was € 13,879 thousand.

Companies with Un-audited Fiscal Years

COMPANY	FISCAL YEAR
MAKREON S.A.**	2010
EPMIS A.E.M.E.E. *	-
CORAL GAS A.E.B.E.Y. *	-
OFC AVIATION FUEL SERVICES S.A**	2010
CYTOP A.E.**	2009-2015
KEPED S.A.**	2010-2015
ELTEPE J.V.	2009-2015
ENDIALE S.A.	2009-2010

* The tax audit for fiscal years 2009 and 2010 has been completed based on temporary tax audit reports and there are no material additional taxes expected for those years upon the finalization of the tax audits.
** Tax audit for those fiscal years is not yet finalized thus tax liabilities for these fiscal years are not yet final. In a future tax audit, it is possible that additional taxes and surcharges will be imposed, the amount of which cannot be determined accurately at present. However the group's management believes that the outcome of such future audits, should these performed, will not have a material impact on the financial position of the Group or the Company.

For the fiscal years 2011, 2012, 2013, 2014 & 2015, MOH group companies that were obliged for a tax compliance audit by the statutory auditors, have been audited by the appointed statutory auditors in accordance with L2190/1920, art. 82 of L 2238/1994 and art. 65A of L4174/13 and have issued the relevant Tax Compliance Certificates. In any case and according to Circ.1006/05.01.2016 these companies for which a Tax Compliance Certificate has been issued are not excluded from a further tax audit by the relevant tax authorities. Therefore, the tax authorities may perform a tax audit as well. However, the group's management believes that the outcome of such future audits, should these be performed, will not have a material impact on the financial position of the Group or the Company.

Up to the date of approval of these financial statements, the group companies' tax audit, by the statutory auditors, for the fiscal year 2016 is in progress. However it is not expected that material liabilities will arise from this tax audit.

31. Obligations under Finance Leases

Finance leases relate to vehicles with lease terms of 5 years. The Company has the option to purchase the vehicles for a minimal amount at the conclusion of the lease agreements.

(In 000's Euros)	**COMPANY**			
	Lease payments		**Present value of lease payments**	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
No later than one year	33	29	31	25
Later than two years and not later than five years	29	43	26	41
	62	72	57	66
Less future finance charges	(5)	(6)	0	0
Present value of minimum lease payments	57	66	57	66
Included in the financial statement as:				
Current borrowings (note 22)			31	25
Non-current borrowings (note 22)			26	41

32. Operating Lease Arrangements

Motor Oil's operating leases mainly represent rentals for certain of its office properties and transportation means. Subsidiaries, "Avin Oil S.A.", "CORAL A.E." and "CORAL GAS A.E.B.E.Y." leasing contracts pertain mostly to premises for gas stations which are then subleased to co-operating gas station operators and transportation means.

The Group as Lessee

	GROUP		**COMPANY**	
(In 000's Euros)	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Lease payments under operating leases recognized as an expense for the year	24,993	26,886	4,969	5,943

At the Statement of Financial Position date, the Group and the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	GROUP		**COMPANY**	
(In 000's Euros)	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Within one year	21,441	21,171	4,943	3,843
From the second to fifth year inclusive	74,944	69,834	20,713	13,779
After five years	75,317	76,192	12,230	7,366

Average lease term for offices and transportation means are nine and four years respectively. The average lease term for gas stations premises is ten years.

The Group as Lessor

Rental income from operating lease contracts recognized as year income.

32. Operating Lease Arrangements (continued)

(In 000's Euros)	GROUP 31/12/2016	GROUP 31/12/2015	COMPANY 31/12/2016	COMPANY 31/12/2015
Rental income earned during the year	4,472	4,630	347	358

At the Statement of Financial Position date, the Group has contracted with tenants for the following future minimum lease payments:

(In 000's Euros)	GROUP 31/12/2016	GROUP 31/12/2015	COMPANY 31/12/2016	COMPANY 31/12/2015
Within one year	2,876	3,815	333	306
From the second to fifth year inclusive	6,777	7,758	1,429	1,198
After five years	9,107	11,497	5,340	5,767

Rental income of the Group mostly concerns subleases of "Avin Oil", "Coral A.E." and "Coral Gas A.E.B.E.Y." relating mostly to premises suitable to operate as gas stations. The average lease term is ten years.

33. Deferred Income

(In 000's Euros)	COMPANY 31/12/2016	COMPANY 31/12/2015	COMPANY 31/12/2014
Arising from government grants	6,798	8,403	9,417
Non-Current	5,728	7,333	8,347
Current	1,070	1,070	1,070
	6,798	8,403	9,417

34. Related Party Transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation. Details of transactions between the Company and its subsidiaries and other related parties are set below:

GROUP

(In 000's Euros)	Income	Expenses	Receivables	Payables
Associates	157,223	2,209	6,823	330

COMPANY

(In 000's Euros)	Income	Expenses	Receivables	Payables
Subsidiaries	1,038,758	70,427	105,893	350,983
Associates	152,989	696	6,690	7
Total	**1,191,747**	**71,123**	**112,583**	**350,990**

Sales of goods to related parties were made on an arm's length basis.

No provision has been made for doubtful debts in respect of the amounts due from related parties.

34. Related Party Transactions (continued)

Compensation of key management personnel

The remuneration of directors and other members of key management for the Group for the period 1/1–31/12/2016 and 1/1–31/12/2015 amounted to € 9,503 thousand and € 8,214 thousand respectively. (Company: 1/1–31/12/2016: € 4,893 thousand, 1/1–31/12/2015: € 3,877 thousand)
The remuneration of members of the Board of Directors are proposed and approved by the Annual General Assembly Meeting of the shareholders.

Other short term benefits granted to key management for the Group for the period 1/1–31/12/2016 amounted to € 353 thousand and 1/1–31/12/2015 amounted to € 305 thousand respectively. (Company: 1/1–31/12/2016: € 73 thousand, 1/1–31/12/2015: € 74 thousand)

There are leaving indemnities paid to key management for the Group of € 111 thousand for the period 1/1–31/12/2016 and the respective amount for the comparative period was € 157 thousand.

Directors' Transactions

There are no other transactions, receivables and/or payables between Group companies and key management personnel.

35. Significant Associates

Details of the Group's material associates are as follows:

Company Name	**Principal Activity**	**Proportion of ownership interest**	
		31/12/2016	31/12/2015
SHELL & MOH AVIATION FUELS A.E	Aviation Fuels	49%	49%
KORINTHOS POWER S.A.	Energy	35%	35%

Shell & MOH Aviation

In 000's Euros	**31/12/2016**	**31/12/2015**
Non-Current Assets	3,195	3,595
Current Assets	19,841	18,200
Non-Current Liabilities	218	210
Current Liabilities	8,749	8,504

35. Significant Associates (continued)

	31/12/2016	31/12/2015
Turnover	177,895	208,802
Profit before taxes	10,097	8,793
Profit after taxes	7,234	6,392
Total comprehensive income	7,222	6,403

Korinthos Power S.A

In 000's Euros	31/12/2016	31/12/2015
Non-Current Assets	273,709	284,856
Current Assets	43,582	39,266
Non-Current Liabilities	135,731	142,335
Current Liabilities	73,682	70,960

	31/12/2016	31/12/2015
Turnover	96,032	48,111
Profit before taxes	(3,251)	(19,079)
Profit after taxes	(3,267)	(19,159)
Total comprehensive income	(3,267)	(19,159)

36. Retirement Benefit Plans

The Group ´s obligations to its employees in relation to the future payment of benefits in proportion to their time of service are based on an actuarial study. This liability is computed and presented in the Statement of Financial Position date based on the expected vested benefit of every employee. The vested benefit is presented at its present value based on expected date of payment.

The Group operates funded defined benefit plans for eligible employees who work for "Motor Oil (Hellas) S.A." and its subsidiary "L.P.C. S.A.". According to the terms of plans, the employees are entitled to retirement benefits as a lump sum which depend on each employee's final salary upon retirement and the years of service with the Group. There are also defined contribution plans at the subsidiaries "CORAL GAS A.E.B.E.Y", "CORAL A.E." and "AVIN OIL SA". In addition the Group is obligated to pay retirement compensation to its employees in accordance with Law 2112/1920, based on the above mentioned rights and retirement age limits. No other post-retirement benefits are provided.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation as well as of the obligation for retirement compensation to personnel were carried out at 31 December 2015 by an independent certified actuary. The present value of the defined benefit obligations, and the related current service cost, were measured using the projected unit credit method.

	Valuation at:	
	31/12/2016	31/12/2015
Key assumptions used:		
Discount rate	1.40%	2.00%
Expected return on plan assets	1.40%	2.00%
Expected rate of salary increases	0.00%-1.75%	0.00% -2.00%

The amount recognized in the Statement of Financial Position in respect of the defined benefit retirement benefit plans are as follows:

36. Retirement Benefit Plans (continued)

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Present value of unfunded plan obligation	49,375	47,283	38,980	36,846
Present value of funded defined benefit obligation	37,146	35,336	35,329	33,260
Fair value of plan assets	(33,846)	(27,933)	(33,762)	(27,729)
Deficit	3,300	7,403	1,567	5,531
Net liability recognized in the Statement of Financial Position	**52,675**	**54,686**	**40,547**	**42,377**
Current provision for retirement benefit	2,331	2,431	2,221	2,344
Non-current provision for retirement benefit	50,344	52,255	38,326	40,033
Total	**52,675**	**54,686**	**40,547**	**42,377**

Amounts recognized in the Statement of Comprehensive Income in respect of these defined benefit schemes are as follows:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Service cost	3,599	4,004	3,367	3,349
Interest cost less Expected return on plan assets	1,092	924	847	711
Net expense recognized in the Statement of Comprehensive Income	**4,691**	**4,928**	**4,214**	**4,060**
Actuarial (gains) / losses PVDBO	1,493	(3,686)	1,628	(2,679)
Net (gain) / loss recognized in Total Comprehensive Income	**6,184**	**1,242**	**5,842**	**1,381**

The return on plan assets for the current year for the Group and the Company amounts to € 560 thousand and € 555 thousand respectively.
The above recognized expense is included into the Group's and the Company's operating expenses as follows:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Cost of Sales	3,727	3,864	3,607	3,595
Administration expenses	620	638	451	379
Distribution expenses	344	426	156	86
Total	**4,691**	**4,928**	**4,214**	**4,060**

Movements in the present value of the defined benefit obligations in the current year are as follows:

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Opening Defined benefit obligation	82,619	85,102	70,108	71,915
Service cost	4,752	3,942	4,016	2,889
Interest cost	1,652	1,368	1,402	1,151
Actuarial (Gains) / Losses PVDBO	1,493	(3,686)	1,628	(2,679)
Benefits paid	(3,995)	(4,107)	(2,845)	(3,168)
Closing Defined benefit obligation	**86,521**	**82,619**	**74,309**	**70,108**

Movements in the present value of the plan assets in the current year were as follows:

36. Retirement Benefit Plans (continued)

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Opening fair value of plan assets	27,933	27,742	27,729	27,468
Expected return on plan assets	559	444	555	439
Contributions from the employer	6,939	1,513	6,849	1,519
Benefits paid	(1,585)	(1,766)	(1,371)	(1,697)
Additions on acquisition of subsidiary	0	0	0	0
Closing fair value of plan assets	**33,846**	**27,933**	**33,762**	**27,729**

The sensitivity analysis of the Present Value of the Defined Benefit Obligation (PVDBO) for the compensation due to retirement as well as for the obligation of the private program for service termination is as follows:

(In 000's Euros)	GROUP 31/12/2016		COMPANY 31/12/2016	
	Present value of the obligation for compensation due to retirement	Present value of the program's assets	Present value of the obligation for compensation due to retirement	Present value of the program's assets
PVDBO	49,359	37,146	38,980	35,329
Calculation with a discounting rate of + 0,5%	46,228	35,155	36,926	33,443
Calculation with a discounting rate of - 0,5%	51,914	39,309	41,221	37,381

37. Categories of Financial Instruments

Financial assets

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Available-for-sale investments	937	937	937	937
Trade and other receivables (including cash and cash equivalents)	1,168,528	1,007,027	936,317	789,830

Financial liabilities

(In 000's Euros)	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Bank loans	1,183,838	1,351,841	857,329	1,020,019
Trade and other payables	635,684	400,218	542,515	318,501
Deferred income	6,798	8,403	6,798	8,403

38. Management of Financial Risks

The Group's management has assessed the impacts on the management of financial risks that may arise due to the challenges of the general business environment in Greece. In general, as it is further discussed in the management of each financial risk below, the management of the Group does not consider that any negative developments in the Greek economy in connection with the capital controls of the Greek banks may materially affect the normal course of business of the Group and the Company.

a. Capital risk management

The Group manages its capital to ensure that Group companies will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The Group's management monitors the capital structure on a frequent basis.

As a part of this monitoring, the management reviews the cost of capital and the risks associated with each class of capital. The Group's intention is to balance its overall capital structure through the payment of dividends, as well as the issue of new debt or the redemption of existing debt. The Group through its 100% subsidiary "Motor Oil Finance plc" that is based in London, issued a bond loan for an amount of EURO 350 million in 2014 through the offering of five year Senior Notes bearing a fixed rate coupon and maintains also access at the international money markets broadening materially its financing alternatives.

Gearing Ratio

The Group's management reviews the capital structure on a frequent basis. As part of this review, the cost of capital is calculated and the risks associated with each class of capital are assessed.

The gearing ratio at the year end was as follows:

	GROUP		COMPANY	
(In 000's Euros)	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Bank loans	1,183,838	1,351,841	857,329	1,020,019
Cash and cash equivalents	(800,285)	(670,559)	(688,735)	(567,658)
Net debt	**383,553**	**681,282**	**168,594**	**452,361**
Equity	**824,060**	**603,814**	**706,675**	**510,778**
Net debt to equity ratio	**0.47**	**1.13**	**0.24**	**0.89**

b. Financial risk management

The Group's Treasury department provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Treasury department reports on a frequent basis to the Group's management that monitors risks and policies implemented to mitigate risk exposures.

c. Market risk

Due to the nature of its activities, the Group is exposed primarily to the financial risks of changes in foreign currency exchange rates (see (d) below), interest rates (see (e) below) and to the volatility of oil prices mainly due to the obligation to maintain certain level of inventories. The Company, in order to avoid significant fluctuations in

38. Management of Financial Risks (continued)

the inventories valuation is trying, as a policy, to keep the inventories at the lowest possible levels. Furthermore, any change in the pertaining refinery margin, denominated in USD, affects the Company's gross margin. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures these risks. Considering the conditions in the oil refining and trading sector, as well as the negative economic environment in general, we consider the course of the Group and the Company as satisfactory. Through its Middle East based 100% subsidiary, the Group aims to exploit its endeavors at international level and to further strengthen its already solid exporting orientation. Moreover the instability in the domestic market, in connection with the capital controls, is not expected to create problems to the normal course of business of the Company, which due to its strong exporting orientation generates adequate cash flows to cover the necessary imports of crude oil for the refinery activities. Furthermore crude oil prices are determined in the international markets and are not affected so by any domestic market turbulences.

d. Foreign currency risk

Due to the use of the international Platt's prices in USD for oil purchases/sales, exposures to exchange rate fluctuations may arise for the Company's profit margins. The Company minimises foreign currency risks through physical hedging, mostly by monitoring assets and liabilities in foreign currencies.

e. Interest rate risk

The Group has access to various major domestic and international financial markets and manages to have borrowings with competitive interest rates and terms. Hence, the operating expenses and cash flows from financing activities are not materially affected by interest rate fluctuations.

Had the current interest rates been 50 basis points higher/lower, all other variables kept constant, the Group's profit for the year ended 31 December 2016 could have decreased/increased by approximately € 6.5 million.

f. Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables.

The Group's trade receivables are characterized by a high degree of concentration, due to a limited number of customers comprising the clientele of the parent Company. Most of the customers are international well known oil companies. Consequently, the credit risk is limited to a great extent. The Group companies have signed contracts with their clients, based on the course of the international oil prices. In addition the Group, as a policy, obtains letters of guarantee from its clients in order to secure its receivables, which as at 31/12/2016 amounted to Euro 21.5 mil. As far as receivables of the subsidiaries "Avin Oil S.A.", "CORAL A.E.", "CORAL GAS A.E.B.E.Y." and "L.P.C. S.A." are concerned, these are spread in a wide range of customers and consequently there is no material concentration and the credit risk is limited. The Group manages its domestic credit policy in a way to limit accordingly the credit days granted in the local market, in order to minimise any probable domestic credit risk.

g. Liquidity risk

Liquidity risk is managed through the proper combination of cash and cash equivalents and the bank loan facilities granted, when needed. In order to address such risks, the Group's management monitors the balance of cash and cash equivalents and ensures available bank loans facilities, maintaining also increased cash balances. Moreover the major part of the Group's borrowings is long term borrowings which facilitates liquidity management.

The following tables present the **Group's** remaining contractual maturity for its financial liabilities:

38. Management of Financial Risks (continued)

GROUP
2016

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	634,753	932	0	0	635,684
Finance leases	7.28%	15	15	27	0	57
Bank loans	5.52%	49,166	41,987	1,092,628	0	1,183,781
Total		**683,934**	**42,934**	**1,092,655**	**0**	**1,819,523**

GROUP
2015

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	392,401	7,817	0	0	400,218
Finance Leases	7.20%	12	13	41	0	66
Bank loans	5.66%	211,348	32,865	1,107,562	0	1,351,775
Total		**603,761**	**40,695**	**1,107,603**	**0**	**1,752,059**

The following tables present the **Company's** remaining contractual maturity for its financial liabilities:

COMPANY
2016

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	542,515	0	0	0	542,515
Finance leases	7.28%	13	14	14	0	41
Bank loans	5.39%	471	471	856,346	0	857,288
Total		**542,999**	**485**	**856,360**	**0**	**1,399,844**

38. Management of Financial Risks (continued)

COMPANY
2015

(In 000's Euros)	Weighted average effective interest rate	0-6 months	7-12 months	2-5 years	5 + years	Total
Trade & other payables	0.00%	318,501	0	0	0	318,501
Finance leases	7.20%	12	13	41	0	66
Bank loans	5.47%	137,842	25,787	856,324	0	1,019,953
Total		**456,355**	**25,800**	**856,365**	**0**	**1,338,520**

Going Concern

The Group's management considers that the Company and the Group have adequate resources that ensure the smooth continuance of the business of the Company and the Group as a "Going Concern" in the foreseeable future.

39. Events after the Reporting Period

The acquisition by "CORAL AE", 100% subsidiary of "MOTOR OIL (HELLAS) SA", of the total shares of "LUKOIL CYPRUS LIMITED" was finalized on 3 January 2017 from the registered in Netherlands "LUKOIL EUROPE HOLDINGS B.V". The cost of acquisition was about € 9.5 mil. The newly acquired "LUKOIL CYPRUS LIMITED", renamed "CORAL ENERGY PRODUCTS CYPRUS LIMITED", operates in Cyprus a retail network of 31 gas stations.
Within January and February 2017 MOTOR OIL (HELLAS) S.A. received two bond loans of total € 150 mil. of which € 75 mil. from CITI and ALPHA, and € 75 mil. from HSBC and Piraeus Bank.
There are no other events that could have a material impact on the Group's and Company's financial structure or operations that have occurred since 31/12/2016 up to the date of issue of these financial statements.

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T R A N S L A T I O N

Independent Auditor's Report

To the Shareholders of MOTOR OIL (HELLAS) CORINTH REFINERIES S.A.

Audit Report on the Company Stand-Alone and Consolidated Financial Statements

We have audited the accompanying Company stand-alone and consolidated financial statements of the Company Motor Oil (Hellas) Corinth Refineries S.A., which comprise the Company stand-alone and consolidated statement of financial position as at December 31, 2016, and the Company stand-alone and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Company Stand-Alone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Company stand-alone and consolidated financial statements in accordance with International Financial Reporting Standards, as these have been adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of Company stand-alone and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Company stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing, which have been incorporated into Greek Law (FEK/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Company stand-alone and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Company stand-alone and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Company stand-alone and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Company stand-alone and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Company stand-alone and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

T R A N S L A T I O N

Opinion

In our opinion, the accompanying Company stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company Motor Oil (Hellas) Corinth Refineries S.A. and its subsidiaries as of December 31, 2016, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Report on Other Legal and Regulatory Requirements

Taking into account that management is responsible for the preparation of the Directors' Report and of the Corporate Governance Statement included therein, in accordance with the provisions of paragraph 5 of article 2 (part B) of L. 4336/2015, we note that:

a) The Directors' Report includes a Corporate Governance Statement which provides the information required according to the provisions of Article 43bb of Codified Law 2190/1920.

b) In our opinion the Directors' Report has been prepared in accordance with the applicable legal requirements of articles 43a and 107A and of paragraph 1 (c' and d') of article 43bb of Codified Law 2190/1920 and its content is consistent to the accompanying Company stand-alone and consolidated financial statements for the year ended 31/12/2016.

c) Based on the knowledge we have obtained during our audit about the Company Motor Oil (Hellas) Corinth Refineries S.A. and its environment, we have not identified any material inconsistency in the Directors' Report.

Athens, March 13, 2017

The Certified Public Accountant

Dimitrios Koutsos Koutsopoulos
Reg. No. SOEL: 26751
Deloitte Certified Public Accountants S.A.
3a Fragoklissias & Granikou str., 151 25 Maroussi
Reg. No. SOEL: E. 120

MOTOR OIL (HELLAS) CORINTH REFINERIES S.A.

G.E.MI. 272801000

(EX PREF.REG. No. 1482/06/B/86/26)

HEADQUARTERS: 12A IRODOU ATTIKOU STR.,151 24 MAROUSSI

FIGURES AND FINANCIAL INFORMATION FOR THE YEAR FROM 1 JANUARY 2016 TO 31 DECEMBER 2016

The financial data and information below provide general information about the financial position and the results of MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. and the Group. Readers requiring full information on the financial position and results should refer to the annual financial statements, prepared in accordance with International Financial Reporting Standards, as well as the auditors' report. Indicatively, readers may visit the company's website where the above mentioned information can be found.

INFORMATION ABOUT THE COMPANY

Authority:	Ministry of Finance
Company's website:	www.moh.gr
Board of Directors:	Chairman and Managing Director: Vardis J. Vardinoyannis Vice-Chairman: Ioannis V. Vardinoyannis Deputy Managing Directors: Ioannis N. Kosmadakis, Petros T.Tzannetakis, Members: Nikos Th. Vardinoyannis, George P. Alexandridis, Michael - Matheos J. Stiakakis,Theofanis Chr. Voutsaras, Niki D. Stoufi, Anastasios-Elias Chr. Triandaphyllidis, Antonios Th. Theocharis.
Approval date of the annual financial statements:	10 March 2017
The certified auditor:	Dimitrios Koutsos-Koutsopoulos
Auditing company:	Deloitte.
Auditors' report:	Unqualified opinion

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	Amounts in thd Euro		Amounts in thd Euro	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
ASSETS				
Property, plant and equipment	1,005,856	1,015,969	690,712	709,270
Intangible assets	43,950	46,777	529	557
Other non-current assets	83,838	87,240	188,626	185,976
Inventories	560,930	411,025	458,395	326,608
Trade receivables	271,151	213,289	216,560	143,579
Other current assets	897,377	793,738	719,757	646,251
TOTAL ASSETS	**2,863,102**	**2,568,038**	**2,274,579**	**2,012,241**
TOTAL EQUITY AND LIABILITIES				
Share capital	83,088	83,088	83,088	83,088
Other shareholders' equity	738,851	519,255	623,587	427,690
Total shareholders' equity (a)	**821,939**	**602,343**	**706,675**	**510,778**
Non-controlling interest (b)	2,121	1,471	0	0
Total equity (c) = (a) + (b)	**824,060**	**603,814**	**706,675**	**510,778**
Long term borrowings	1,092,655	1,107,603	856,360	856,365
Other non-current liabilities	146,253	143,494	100,368	98,381
Short term borrowings	91,183	244,238	969	163,654
Other current liabilities	708,951	468,889	610,207	383,063
Total liabilities (d)	**2,039,042**	**1,964,224**	**1,567,904**	**1,501,463**
TOTAL EQUITY & LIABILITIES (c) + (d)	**2,863,102**	**2,568,038**	**2,274,579**	**2,012,241**

STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	Amounts in thd Euro		Amounts in thd Euro	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Equity opening balance (01.01.2016 and 01.01.2015 respectively)	**603,814**	**413,499**	**510,778**	**324,861**
Non-controlling interest arising on the acquisition / establishment of subsidiary	1,050	0	0	0
Total comprehensive income after tax	296,906	207,019	273,484	202,496
Dividends	(77,710)	(16,704)	(77,587)	(16,579)
Equity closing balance (31.12.2016 and 31.12.2015 respectively)	**824,060**	**603,814**	**706,675**	**510,778**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		COMPANY	
	Amounts in thd Euro		Amounts in thd Euro	
	01.01-31.12.2016	01.01-31.12.2015	01.01-31.12.2016	01.01-31.12.2015
Turnover	6,356,855	7,060,215	4,511,920	5,276,468
Gross profit / (loss)	726,963	634,718	465,999	408,379
Profit / (loss) before tax and interest	505,028	391,762	447,784	354,195
Profit / (loss) before tax	428,760	302,848	392,804	291,798
Profit / (loss) after tax (A)	297,845	204,977	274,640	201,104
-Shareholders	298,167	204,814	274,640	201,104
-Non-controlling interests	(322)	163	0	0
Other comprehensive income after tax (B)	(939)	2,042	(1,156)	1,392
Total comprehensive income after tax (A)+(B)	296,906	207,019	273,484	202,496
-Shareholders	297,183	206,861	273,484	202,496
-Non-controlling interests	(277)	158	0	0
Earnings per share - basic (in Euro)	2.6885	1.8503	2.4791	1.8153
Proposed dividend per share - (in Euro)			0.9000	0.6500
Profit / (loss) before tax, interest and depreciation	602,425	490,897	521,783	429,725

STATEMENT OF CASH FLOWS
Indirect Method

	GROUP		COMPANY	
	Amounts in thd Euro		Amounts in thd Euro	
	01.01-31.12.2016	01.01-31.12.2015	01.01-31.12.2016	01.01-31.12.2015
Operating activities				
Profit / (loss) before tax	428,760	302,848	392,804	291,798
Plus / Less adjustments for:				
Depreciation	98,467	100,292	75,070	76,600
Provisions	2,973	9,124	(3,783)	611
Exchange differences	3,820	20,305	3,815	20,362
Investment income (expenses)	1,050	4,425	(609)	(2,398)
Interest and related expenses	80,245	87,714	56,985	64,548
Movements in working capital:				
Decrease / (increase) in inventories	(149,905)	74,507	(131,787)	75,284
Decrease / (increase) in receivables	(39,074)	50,991	(26,771)	(5,450)
(Decrease) / increase in payables (excluding loans)	237,698	(274,139)	222,895	(272,465)
Less:				
Interest and related expenses paid	(78,170)	(90,173)	(55,790)	(66,369)
Taxes paid	(119,693)	(4,493)	(108,811)	0
Net cash (used in) / from operating activities (a)	**466,171**	**281,401**	**424,018**	**182,521**
Investing activities				
(Increase) / decrease of interest in subsidiaries and associates	1,050	0	(2,350)	0
Purchase of shares	0	(51)	0	(63)
Purchase of tangible and intangible assets	(87,892)	(43,063)	(58,309)	(19,784)
Proceeds from the sale of tangible and other intangible assets	413	700	14	240
Interest received	694	538	476	344
Dividends received	213	135	876	807
Net cash (used in) / from investing activities (b)	**(85,522)**	**(41,741)**	**(59,293)**	**(18,456)**
Financing activities				
Proceeds from loans	199,552	685,333	157,500	547,472
Repayments of loans	(372,740)	(544,913)	(323,604)	(395,283)
Repayments of finance leases	(25)	(24)	(25)	(24)
Dividends paid	(77,710)	(16,704)	(77,587)	(16,579)
Net cash (used in) / from financing activities (c)	**(250,923)**	**123,692**	**(243,716)**	**135,586**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**129,726**	**363,352**	**121,009**	**299,651**
Cash and cash equivalents at beginning of the year	**670,559**	**307,207**	**567,726**	**268,075**
Cash and cash equivalents at year end	**800,285**	**670,559**	**688,735**	**567,726**

ADDITIONAL INFORMATION

1. Please refer to note 16 of the financial statements, for the companies included in the consolidation (including their place of incorporation, shareholding percentage and method of consolidation). The companies "ELECTROPARAGOGI SOUSSAKI S.A." and "VIPANOT"are not consolidated but are stated at cost due to their insignificance or/and because they are dormant. The newly acquired/established companies "MOTOR OIL VEGAS UPSTREAM LTD", "MV UPSTREAM TANZANIA LTD", "MVU BRAZOS CORPORATION", "DIORIGA GAS A.E." and "CORINTHIAN OIL LTD" are included in the consolidation.
2. Please refer to note 38 of the financial statements where there is a detailed report on the management of the financial risks in connection with the capital controls of the Greek banks that have been imposed and are still in force, for which the Group's management considers that they will not affect materially the normal course of business of the Group and the Company for the foreseeable future.
3. There are legal claims by third parties against the Group amounting to approximately Euro 22.4 million (Company: approximately Euro 10.1 million). There are also legal claims of the Group against third parties amounting to approximately Euro 34.5 million (Company: Euro 2.0 million). For all above mentioned cases, the final outcome cannot be currently estimated. In addition, we do not expect material liabilities to arise from the tax unaudited fiscal years. Total provisions accounted for the Group are as follows: a) provision for doubtful debts Euro 1,987 thousand (Company: Euro 0 thousand), and b) provision for staff leaving indemnities Euro 52,675 thousand (Company: Euro 40,547 thousand).
4. The unaudited, by the Tax Authorities, fiscal years of the Group and the Company are mentioned in note 30 of the financial statements.
5. As at December 31, 2016 the Group's personnel headcount amounts to 2,017 (31.12.2015: 2,008) and the Company's personnel headcount amounts to 1,190 (31.12.2015: 1,191).
6. Other comprehensive income after tax for the Group refer to expenses for the increase of share capital Euro 48 thousand, taxes Euro 447 thousand, exchange differences on translating foreign operations Euro 155 thousand and actuarial losses Euro 1,493 thousand. Other comprehensive income after tax for the Company refer to expenses for the taxes Euro 472 thousand and actuarial losses Euro 1,628 thousand.
7. In July 2016 MOTOR OIL (HELLAS) S.A. paid in Euro 1,950,000 as share capital increase for its participation at 65% in "MOTOR OIL VEGAS UPSTREAM LTD" based in Cyprus with major activities crude oil research, exploration and trading (upstream) which participates at 100% in "MV UPSTREAM TANZANIA LTD" based also in Cyprus with the same major activities. Within December 2016 "MOTOR OIL VEGAS UPSTREAM LTD", 65% subsidiary with registered office in Cyprus, established its 100% subsidiary "MVU BRAZOS CORPORATION" with registered office in U.S.A. and initial share capital of USD 3 million (note 29 of the financial statements).
8. The acquisition by "CORAL A.E.", 100% subsidiary of "MOTOR OIL (HELLAS) SA", of the total shares of "LUKOIL CYPRUS LIMITED" was finalized on 3 January 2017 from the registered in Netherlands "LUKOIL EUROPE HOLDINGS B.V". The newly acquired "LUKOIL CYPRUS LIMITED", renamed "CORAL ENERGY PRODUCTS CYPRUS LIMITED", operates in Cyprus a retail network of 31 gas stations. Within January and February 2017 MOTOR OIL (HELLAS) S.A. received two bond loans of total Euro 150 million of which Euro 75 million from CITIBANK and ALPHA BANK, and Euro 75 million from HSBC and PIRAEUS BANK.
9. Transactions and balances of the Group and the Company, with related parties according to IAS 24 in Euro thousand:

	GROUP	COMPANY
INCOME	157,223	1,191,747
EXPENSES	2,209	71,123
RECEIVABLES	6,823	112,583
PAYABLES	330	350,990
OTHER BENEFITS & REMUNERATION OF BoD MEMBERS AND TOP MANAGEMENT	9,967	4,966
RECEIVABLES FROM BoD MEMBERS AND TOP MANAGEMENT	0	0
PAYABLES TO BoD MEMBERS AND TOP MANAGEMENT	0	0

Maroussi, March 10, 2017

THE CHAIRMAN OF THE BoD AND MANAGING DIRECTOR	THE DEPUTY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
VARDIS J. VARDINOYANNIS I.D. No K 011385/82	**PETROS T. TZANNETAKIS** I.D. No R 591984/94	**THEODOROS N. PORFIRIS** I.D. No R 557979/94 E.C.G. Licence No. 0018076 A' Class