MOTOR OIL (HELLAS)
CORINTH REFINERIES S.A.

INFORMATION MEMORANDUM

According to the Athens Stock Exchange Board of Directors Decision 64/29.3.2001

For the Amendment of the Use of Proceeds from the Share Capital Increase of the Company through Initial Public Offering
(Decision of Extraordinary General Shareholders´ Meeting of 17/5/2001)

MAROUSSI

January 2004

MOTOR OIL (HELLAS)
CORINTH REFINERIES S.A.

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INFORMATION ABOUT THE COMPILATION OF THE INFORMATION MEMORANDUM

The compilation and distribution of the present Information Memorandum took place in the context of decision no. 64/29.3.2001 of the ASE Board of Directors and refers to the decisions of the General Shareholders´ Meetings of MOTOR OIL (HELLAS) S.A of 30/5/2003 and of 19/12/2003, which approved the amendment of the Use of Proceeds from the share capital increase through Initial Public Offering (IPO) for the listing of the Company in the Main Market of the Athens Stock Exchange.

The following persons are responsible for the compilation and the accuracy of the information contained in the Information Memorandum:

- Mr. Petros Tzannetakis, Finance Director – Member of the Board of Directors of the Company, 12A Irodou Attikou Str., 151 24 Maroussi, tel. no.: 210.80 94 162

- Mr. James Douglas McTurk, General Manager of Finance and Information Systems, 12A Irodou Attikou Str., 151 24 Maroussi, tel no.: 210.80 94 167

whom investors interested for additional information can contact during working days and hours.

The Board of Directors of the Company declare that all BoD members have reviewed the content of the present Information Memorandum and together with the authors confirm that:

1. All the information and the data contained in the Information Memorandum are complete, true and accurate
2. There is no additional information and no incidents have occurred whatsoever the concealment or omission of which could render whole or part of the information and the data included in the present Information Memorandum misleading
3. There are no legal disputes or arbitration pending against the Company and the companies controlled by the Company that might have a serious impact on its financial position.

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USE OF PROCEEDS FROM THE SHARE CAPITAL INCREASE OF THE COMPANY THROUGH INITIAL PUBLIC OFFERING ACCORDING TO THE APPROVED OFFERING CIRCULAR OF MOTOR OIL (HELLAS) S.A (EXTRAORDINARY GENERAL SHAREHOLDERS´ MEETING OF 17/5/2001)

The Extraordinary General Shareholders´ Meeting of MOTOR OIL (HELLAS) S.A of 17/5/2001 decided the cash share capital increase through Initial Public Offering in the context of the listing of the Company in the Main Market of the Athens Stock Exchange.

The IPO took place during the period 10 -13/7/2001. The strike price for the shares was set at € 10.3 per share. On aggregate 5,275,380 new shares were issued which together with the existing 105,507,600 ones were listed in the Athens Stock Exchange (first day of trading was August 6th, 2001). The share capital increase of the Company was certified by its Board of Directors in their meeting of 27/7/2001.

The net proceeds from the share capital increase of MOTOR OIL (HELLAS) S.A through the IPO amounted to € 49,787,765 analysed as follows:

Proceeds from the issuance of new shares	€ 54,336,023
Less:	
Commission of Underwriters & other expenses for the listing in the ASE	€ 4,548,258
Company Net IPO Proceeds	**€ 49,787,765**

The above amount, according to the approved offering circular (pages 71-3), was projected to be invested as follows:

- **Amount of € 6,485,693 for the installation of a Distributed Control System** which, through the utilisation of advanced technology computers, will contribute to the production procedures becoming fully automated, to the upgrading and uniformity of product quality, to the enhancement of production flexibility and to the improvement of diagnostic operations at the refinery.

  The budgeted capital outlay for this investment project amounted to € 17,035,000 out of which the amount of € 10,550,000 has already been financed with Company generated cash flow.

- **Amount of € 9,449,743 for the upgrading of the lubricants complex** which would facilitate the addition of Brightstock, an advanced type of high value-added lubricant, in the production capabilities of the refinery.

  The budgeted capital outlay for this investment project amounted to € 29,543,653 out of which the amount of € 20,093,910 was projected to be financed with Company generated cash flow.

- **Amount of € 4,795,305 for the installation of the Advanced Process Control System** which will contribute to the increase in the degree of utilization of the various production complexes of the refinery, to the maximization of the production of high value-added products and to the reduction of the operating cost. It must be noted that this investment project is a natural continuation of the project of the installation of the Distributed Control System.

  The budgeted capital outlay for this investment project amounts to € 8,833,456 out of which the amount of € 4,038,151 was projected to be financed with Company generated cash flow.

- **Amount of € 9,810,712 for the construction of a New Truck Loading Terminal at Kavala** as a means to enhance the market share of the Company at Northern Greece and to facilitate access to the markets of the Balkan countries.

  The budgeted capital outlay for this investment project amounts to € 11,738,811 out of which the amount of € 1,928,099 was projected to be financed with Company generated cash flow.

- **Amount of € 12,560,528 for the construction of a New Truck Loading Terminal at the refinery** as a means to facilitate the delivery of products to the customers of the Company directly from the production premises of MOTOR OIL and not from loading terminals located at the greater Athens area. The ultimate purpose of this investment project is the development of the product distribution system and the enhancement of the market share of the Company at the Peloponesse and Western Greece areas.

  The aggregate capital outlay for this investment project will be financed with the IPO funds.

- **Amount of € 6,057,227 for the installation of the New Sulphur Recovery Unit** as a means to increase the productivity of the refinery production units as well as to achieve additional environmental protection.

  The budgeted capital outlay for this investment project amounts to € 6,515,040 out of which the amount of € 457,813 was projected to be financed with Company generated cash flow.

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The initial Use of Proceeds timetable, which was included in the approved offering circular (page 73), appears hereunder:

INITIAL USE OF PROCEEDS TIMETABLE (in Euros)

S/N	INVESTMENT PROJECT	1/7/2001– 31/12/2001	1/1/2002– 30/6/2002	1/7/2002 – 31/12/2002	TOTAL 2002	TOTAL 2001 – 02
		(1)	(2)	(3)	(4) = (2) + (3)	(5) = (1)+(4)
1	Installation of Distributed Control System	5,693,323	792,370	0	792,370	6,485,693
2	Lubes Unit Upgrade	836,390	1,760,822	6,852,531	8,613,353	9,449,743
3	Installation of Advanced Process Control System	959,648	1,619,956	2,215,701	3,835,657	4,795,305
4	Construction of Truck Loading Terminal at Kavala	1,614,087	2,030,814	6,165,811	8,196,625	9,810,712
5	Construction of New Truck Loading Terminal at the Refinery	1,907,557	2,300,807	8,352,164	10,652,971	12,560,528
6	Installation of New Sulphur Recovery Unit	1,291,269	1,790,169	2,975,789	4,765,958	6,057,227
	TOTAL	**12,302,274**	**10,294,938**	**26,561,996**	**36,856,934**	**49,159,208**

Moreover, as mentioned in the approved offering circular, the excess amount (that is the difference between the net Company proceeds from the offering - amounted to € 49,787,765 – and the funds scheduled for investments – amount to € 49,159,208) which equaled € 628,557 was used up for the working capital needs of the Company and in particular for the reduction of its short term liabilities.

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INITIAL AMENDMENT OF THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (ORDINARY GENERAL SHAREHOLDERS´ MEETING OF 30/5/2003)

The Annual Ordinary General Shareholders´ Meeting of 30/5/2003 approved the amendment of the Use of Proceeds through the Initial Public Offering for the amount of € 11,772,868 as well as the extension of the timetable for the completion of the investment program for yet another year (period 1.1.2003 – 31.12.2003). It is noted that the previously mentioned amendment of the Use of Proceeds was decided by the Board of Directors of the Company in their meeting of 28.3.2003.

The need for the amendment of the Use of Proceeds became imperative for the following reasons:

1. **Delay in obtaining permission approvals** relating to the project of the New Truck Loading Terminal at Kavala (Investment Project No 4) as well as to the project of the New Truck Loading Terminal at the Refinery (Investment Project No 5).

   Having taken into consideration the low absorption rate of funds demonstrated by these two projects, the Ordinary GM decided as concerns the former (Kavala Truck Loading Terminal) the extension of the timetable for its completion for an additional year and the transfer of the amount of € 5,083,401 to another investment project (please see point 3 below) while for the latter (Refinery Truck Loading Terminal) the extension of the timetable for its completion until the 31/12/2003 (instead of the initial deadline of 31/12/2002).

2. **Reconsideration of certain investment plans** relating to the project of the Lubes Unit Upgrade (Investment Project No 2) and to the project of the Installation of the Advanced Process Control System (Investment Project No 3).

   For these investment projects, which were included in the 2000-2002 investment program of the Company, the GM decided firstly, the transfer of the amount € 4,331,586 from the Lubes project and of the amount of € 2,357,881 from the APC project to another investment project (please see point 3 below) and, secondly, the extension of the timetable for their completion for yet another year. The reconsideration for the Lubes and the APC investment projects was dictated as a result of the priority assigned by the Company to the completion of its new investment program for the period 2003 – 2005.

3. **Initiation of the 2003 - 2005 investment program of the Company** relating to the new "clean" fuels according to the European Union specifications effective as of 2005. The total budgeted capital outlay for this project is in the region of € 350 million and it involves the installation of the Hydrocracking Unit in combination with a High Pressure Diesel Desulphurisation Unit and other auxiliary units, as well as improvements in the existing complexes of the refinery.

It is emphasized that there are certain benefits anticipated for the Company upon completion of this investment project, namely, competitive advantage maintenance since it will become capable of producing "clean" fuels, production capacity increase by approximately 700,000 Metric Tonnes, enhanced flexibility in the production of either diesel or gasolines depending on seasonal demand, environmental conditions improvement at the refinery due to the reduction of the emissions of gaseous pollutants. Taking into consideration the previously mentioned benefits, the Ordinary GM approved the investment of the amount of € 11,772,868 in the Hydrocracker Unit by transferring the amount of € 4,331,586 from the Lubes project, the amount of € 2,357,881 from the APC project and the amount of € 5,083,401 from the Truck Loading Terminal at Kavala project.

There are no consequences for the Company as a result of the transfer of funds from the investment projects under numbers 2, 3 and 4 since these will be completed financed with Company generated cash flow and bank debt in the future.

The Use of Proceeds timetable, as amended following the relevant decision of the Ordinary GM of 30/5/2003, appears hereunder.

AMENDED USE OF PROCEEDS TIMETABLE ACCORDING TO THE DECISION OF GM OF 30/5/2003 (amounts in Euros)

S/N	INVESTMENT PROJECT	INITIAL TIMETABLE (OFF. CIRC)	AMENDED TIMETABLE (DECISION OF GM OF 30/5/2003					INITIAL – AMENDED TIMETABLE RECLASSIFICATION
		1/7/2001 – 31/12/2002	1/7/2001– 31/12/2001	1/1/2002– 30/6/2002	1/7/2002 – 31/12/2002	1/1/2003 – 31/12/2003	TOTAL	
1	Installation of Distributed Control System	6,485,693	3,059,156	3,426,537	0	0	6,485,693	0
2	Lubes Unit Upgrade	9,449,743	196,513	1,598,390	2,823,254	500,000	5,118,157	- 4,331,586
3	Installation of Advanced Process Control System	4,795,305	19,490	49,560	368,374	2,000,000	2,437,424	- 2,357,881
4	Construction of Truck Loading Terminal at Kavala	9,810,712	719,446	777,645	230,220	3,000,000	4,727,311	- 5,083,401
5	Construction of Truck Loading Terminal at the Refinery	12,560,528	336,872	754,243	2,692,990	8,776,423	12,560,528	0
6	Installation of New Sulphur Recovery Unit	6,057,227	624,186	911,860	4,521,181	0	6,057,227	0
7	Hydrocracking Unit		0	0	0	11,772,868	11,772,868	11,772,868
	TOTAL	**49,159,208**	**4,955,663**	**7,518,235**	**10,636,019**	**26,049,291**	**49,159,208**	**0**

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ADDITIONAL AMENDMENT OF THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (EXTRAORDINARY GM OF 19/12/2003)

The Extraordinary General Shareholders´ Meeting of 19/12/2003 approved the additional amendment of the Use of Proceeds Timetable. It is noted that the additional amendment of the Use of Proceeds was decided by the Board of Directors of the Company in their meeting of 12.11.2003.

This particular amendment concerned the reallocation of the amount of € 4,075,840 which it was decided to be invested in the project of the Hydrocracking Unit (Investment Project No 7) by transferring the amount of € 1,336,666 from the Project of the Advanced Process Control System (Investment Project No 3) and the amount of € 2,739,174 from the Project of the Truck Loading Terminal at Kavala (Investment Project No 4).

It is noted that the amount of € 4,075,840 concerned the greater part of the balance of € 5,645,435 of the initial public offering proceeds which was projected to be absorbed during the last quarter of the year 2003 (please see "Use of Proceeds Table with data as of 30/9/2003" in the Appendix of the present memorandum). More specifically, it was estimated that during the remaining period 1.10.2003 – 31.12.2003 it would not be feasible for the amount of € 4,075,840 to be absorbed by the particular investment projects as projected initially and, as a result, it was decided, instead of providing for yet another timetable extension, to transfer this amount to another investment project of immediate priority as regards the accomplishment of corporate objectives.

More specifically, the additional amendment of the Use of Proceeds was deemed appropriate for the following reasons:

1. Low absorption rate of funds, demonstrated also during 2003, as regards both the project of the Installation of the Advanced Process Control System and the project of the construction of the New Truck Loading Terminal at Kavala.
2. High absorption rate of funds as well as multifold capital needs, compared with the remaining amount of the initial public offering proceeds, for the Hydrocracking Unit project both during the last quarter of 2003 and during the entire period until its completion expected by the beginning of 2005.
3. Paramount importance assigned to the Hydrocracker project for the accomplishment of corporate objectives (please see section "Anticipated Benefits from the Investment in the Hydrocracking Unit" page 12).

Following the decision of the Extraordinary GM of 19/12/2003, regarding the additional amendment of the Use of Proceeds, the relevant timetable was finalised thus:

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FINAL USE OF PROCEEDS TIMETABLE ACCORDING TO EGM DECISION OF 19/12/2003 (amounts in Euros)

S/N	INVESTMENT PROJECT	INITIAL TIMETABLE (OFFERING CIRCULAR)	FINAL TIMETABLE (DECISION OF EGM OF 19.12.2003)					FUNDS ABSORBED UNTIL 30.9.2003	REMAINDER TO COMPLETION (1.10.2003 – 31.12.2003)
		1/7/2001 – 31/12/2002	1/7/2001– 31/12/2001	1/1/2002– 30/6/2002	1/7/2002 – 31/12/2002	1/1/2003 – 31/12/2003	ΣΥΝΟΛΟ		
1	Installation of Distributed Control System	6,485,693	3,059,156	3,426,537	0	0	6,485,693	6,485,693	0
2	Lubes Unit Upgrade	9,449,743	196,513	1,598,390	2,823,254	500,000	5,118,157	5,118,157	0
3	Installation of Advanced Process Control System	4,795,305	19,490	49,560	368,374	663,334	1,100,758	1,100,758	0
4	Construction of Truck Loading Terminal at Kavala	9,810,712	719,446	777,645	230,220	260,826	1,988,137	1,988,137	0
5	Construction of New Truck Loading Terminal at the Refinery	12,560,528	336,872	754,243	2,692,990	8,776,423	12,560,528	10,990,933	1,569,595
6	Installation of New Sulphur Recovery Unit	6,057,227	624,186	911,860	4,521,181	0	6,057,227	6,057,227	0
7	Hydrocracking Unit		0	0	0	15,848,708	15,848,708	11,772,868	4,075,840
	ΣΥΝΟΛΟ	**49,159,208**	**4,955,663**	**7,518,235**	**10,636,019**	**26,049,291**	**49,159,208**	**43,513,773**	**5,645,435**

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The reallocation of funds regarding the initial, according to the IPO Offering Circular, and the final, following the decision of the Extraordinary GM of 19/12/2003, Use of Proceeds timetable is illustrated in the next table.

REALLOCATION OF THE INITIAL PUBLIC OFFERING PROCEEDS (amounts in Euros)

S/N	INVESTMENT PROJECT	INITIAL TIMETABLE (OFFERING CIRCULAR)	AMENDED TIMETABLE (GM 30/5/03)	FINAL TIMETABLE (EGM 19/12/03)	INITIAL - FINAL TIMETABLE REALLOCATION (in Euros)	INITIAL – FINAL TIMETABLE REALLOCATION (as %) (*)
		1/7/2001–31/12/2002	1/7/2001–31/12/2003	1/7/2001–31/12/2003		
1	Installation of DCS	6,485,693	6,485,693	6,485,693	0	
2	Lubes Unit Upgrade	9,449,743	5,118,157	5,118,157	- 4,331,586	- 8.70 %
3	Installation of APC System	4,795,305	2,437,424	1,100,758	- 3,694,547	- 7.42 %
4	Kavala Truck Loading Terminal	9,810,712	4,727,311	1,988,137	- 7,822,575	- 15.71 %
5	Refinery New Truck Loading Terminal	12,560,528	12,560,528	12,560,528	0	
6	Sulphur Recovery Unit	6,057,227	6,057,227	6,057,227	0	
7	Hydrocracking Unit		11,772,868	15,848,708	15,848,708	31.83 %
	TOTAL	**49,159,208**	**49,159,208**	**49,159,208**	**0**	

(*) The percentages have been calculated in relation to the total net Company proceeds from the share capital increase through initial public offering (that is € 49,787,765)

There are no consequences for the Company as a result of the transfer of funds from the investment projects under numbers 2, 3 and 4 since these will be completed financed with Company generated cash flow and bank debt in the future.

ANTICIPATED BENEFITS FROM THE INVESTMENT IN THE HYDROCRACKING UNIT

This investment project was undertaken in the context of the 2003 – 2005 investment program of the Company and for this reason no reference was made about it in the Offering Circular compiled for the purpose of the listing of MOTOR OIL in the Athens Stock Exchange.

The investment project includes the installation of a Hydrocracking Unit in combination with a High-Pressure Diesel Desulphurization Unit, other necessary auxiliary units, and improvements to the already existing complexes.

The anticipated Company benefits upon completion of this investment project are as follows:

- Capability to produce "clean" fuels with low sulphur content according to the European Union specifications effective as of 2005.

- Production capacity increase of Middle Distillates, of which there is a shortage in Greece and generally in Europe, by approximately 700,000 Metric Tonnes.

- Greater flexibility in the production of either diesel or gasolines depending on seasonal demand.

- Improvement of environmental conditions of the Refinery as a result of the emissions of gaseous pollutants (mainly Sulphur and Nitrogen oxides) from the Fuel Catalytic Cracking Unit being drastically reduced.

The corporate objectives which the Company aims to accomplish through the completion of the investment project of the Hydrocracking Unit are as follows:

- Maximization of the Refining Margin through the capability to produce products which meet the most recent specifications

- Emphasis on the protection of the environment through the significant reduction of the emissions of gaseous pollutants.

The aggregate budgeted capital expenditure for the above mentioned investment project is in the region of € 350 million. According to the Table of page 11 of the present Information Memorandum, following the decisions of the GMs of 30/5/2003 and of 19/12/2003, a total amount of € 15,848,708 from the initial public offering proceeds will be invested in the Hydrocracking Unit. This amount only forms part of the total capital outlay needed to complete the project while the remainder will be financed with Company generated cash flow and bank debt.

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APPENDIX

Published Table of Use of Proceeds with data as of 30.9.2003