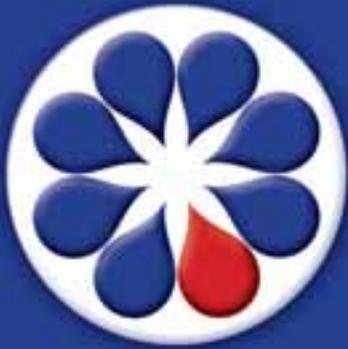


Aegean News

THE QUARTERLY MAGAZINE OF AEGEAN

SPRING 2007



**Aegean
Newbuildings**
Final
Construction
Phase of the
First Tanker

.....

ECOMASTER
The Floating
Separator in
Operation

.....

Ro-Ro Tankers

.....

Plus
Flows & Currents
Travel
Maritime Tradition



Alexandroupolis
Energy Hub
Aegean
A Strategic Presence

FOR YOU...

THIS COLLECTOR'S CORPORATE RING OF
AEGEAN



SIMPLY FILL OUT THE PURCHASE FORM

FIRST NAME _____

LAST NAME _____

ADDRESS _____

TELEPHONE NO. _____

QUANTITY _____ SILVER S-25

GOLD 10K

DIAMETER (in millimeters) _____



INSTRUCTIONS

1. Send this form to AEGEAN, 42 Hatzikiriakou St. 185 38 Piraeus
Mrs Athina Hantzariidou (Tel. +30 210 4586 026)
2. The rings will be crafted in the United States and will be sent to you upon receipt from the U.S.
3. The cost for the gold ring is Euros 890, and for the Silver ring Euros 310

editorial



Think globally, act locally.

The highly effective slogan that for years has well-served us in gaining a proper perspective on affairs close to us and far away is also a very appropriate way of understanding how Aegean does business.

Without a doubt, energy represents an industry that has a global character—think of hundreds of tankers delivering fuel around the globe—and, as

it provides things like gasoline for our cars and heating oil for our homes, touches all of us at the most local level.

Aegean has come to understand that there is no separation between the local and the global when it comes to the essential meaning of service, quality, commitment, and price. Additionally, Aegean understands that becoming involved in the communities where it does business is an important part of doing business.

That is why wherever Aegean is present, whether in Piraeus or Singapore, New York or Gibraltar, being part of the local business community is a must. The recent listing of Aegean on the New York Stock Exchange is a strong signal that the company's global presence is highly important, long-term, and with a 100% commitment to serve more international markets.

And by participating in events in each of the markets in which Aegean operates, by understanding the different needs of all customers throughout its international network, Aegean becomes a local player on a global scale. More than simply doing business wherever opportunity knocks, Aegean aspires to gain trust, establish credibility, and create long-lasting business partnerships that benefit clients as well as the company.

Thinking globally, acting locally. A good slogan and a strong Aegean principle.

RAYMOND MATERA
Publisher

Aegean Core Activities

Retail

- AEGEAN has established a gas stations network throughout Greece, and is one of the fastest growing companies in the retail market. AEGEAN's market share in Greece is 7%.

Shipping

- AEGEAN manages a fleet of tankers, ranging from 3,500DWT to 100,000 DWT, that transfers and delivers oil to our clients throughout the world. All ships meet ISM standards.

Bunkering

- In Piraeus, Gibraltar, Singapore, Jamaica, and the United Arab Emirates, AEGEAN is a leader in providing the best bunkering services available. In Piraeus, AEGEAN is the market leader in bunkering.

Agency Services

- Ships from around the world rely on our agency services at Piraeus, Gibraltar and Jamaica 24/7, from loading and discharging, to spare parts and supplies.

TEXACO Lubricants



- AEGEAN exclusively stocks and sells ChevronTexaco automotive lubricants throughout its retail network.



365 days a year
we make sure
that our seas remain
blue.



•HELMPEPA•

HELLENIC MARINE ENVIRONMENT PROTECTION ASSOCIATION

1982 - 2007
25
years
Voluntary Commitment

www.helmepa.gr

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Comments and suggestions are welcome.

Aegean News is free of charge and is available, subject to availability, to any interested person or organization.

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Products that say “We are Different”

Aegean Tiffany Arrives in Singapore

This is how Bunkerworld magazine announced Aegean's second tanker arrival in Singapore: "Singapore-based accredited bunker supplier Aegean Bunkering (Singapore) Pte Ltd has brought in its second new double-hulled bunker tanker into Singapore."

Aegean Tiffany, a 2,700 deadweight ton (dwt) double-hulled bunker tanker, arrived into the port of Singapore in March 20, 2007.



Mr. Nikolas E. Tavlarios

"We are pleased to have deployed another double-hulled bunkering tanker in Singapore, *Aegean Tiffany*, which follows the opening of our Singapore service center in June 2006," Nikolas E. Tavlarios, president of Aegean Marine Petroleum Network, told Bunkerworld in a statement.

Aegean's first double-hulled bunker tanker, *Aegean Breeze I* (3,000 dwt), has already begun operations in Singapore. The company is currently moving about 50,000 metric tonnes (mt) of bunkers per month.

Aegean has also committed a third new double-hulled tanker of 3,800 dwt into Singapore, to follow-up on *Aegean Tiffany*.

"As we execute our growth strategy, which includes the delivery of 22 newbuildings under contract and options to acquire nine additional vessels over the next three years, we will look for opportunities to deploy additional vessels in the Singapore market," said Mr. Tavlarios.

"We are committed to providing customers in Singapore and the other markets we serve with a fully integrated marine fuel logistics solution, including modern double-hull vessels that meet the highest safety and environmental standards," he said. With the addition of *Aegean Tiffany*, the Singapore bunker market now boasts seven new double-hulled bunker tankers.



New Aegean Personnel

The following employees have joined the Aegean work force

Koutoula Evagelia
AEGEAN MARINE PETROLEUM

Kondaxakis Polykarpos
AEGEAN OIL

Papafaklis Vasilios
AEGEAN BUNKERING SERVICES

Avgikos Panayiotis
AEGEAN BUNKERING SERVICES

Xenou Maria
AEGEAN BUNKERING SERVICES

Bogis Nikolaos
AEGEAN SHIPPING

Maltezos Spyridon
AEGEAN BUNKERING SERVICES



New Ship Joins the Aegean Fleet

The development and modernization of the Aegean Bunkering fleet continues.

A new, modern, double-hull vessel has been added to the Aegean family in February 2007. It is the tanker *Ouranos*, 67,980 dwt, which, following necessary modifications, will be dedicated to the Aegean fleet at the Fujairah station and will contribute to the increase of the transport and reserve capacity of the region. May the new ship always travel in calm seas.



I.B.I.A. (International Bunkering Industry Association) Event

As in previous years, Aegean participated at the I.B.I.A. (International Bunker Industry Association) Annual Dinner, a yearly event that has been held for the past 13 years and which this year took place in London's Hilton Hotel on February 12.

Aegean's guests had an enjoyable evening in a relaxing atmosphere and the opportunity to meet with friends and business associates to discuss current developments in the industry.



Messrs. Melissanidis and Fokas Visit China

In February 2007 Mr. Dimitris Melissanidis and Mr. Spyros Fokas visited China, whose market offers a variety of opportunities for high return investments. During their trip they had the chance to meet high-ranking government and market officials and discuss the possibilities of cooperation in various sectors of the oil trading market.

New Stations in Aegean's Retail Network

The Aegean network is growing throughout the country. Listed below are the stations that have started displaying the Aegean Logo during the past three months.



103 Pireos Ave. Kaminia

Fleris Antonis

21 Ionias Ave. & Agiou Meletiou, Attikis Square

Fleris Antonis

Psaron & Markou Botsari, Drapetsona

Kolovou Bros., O.E

73 Kiprou Ave., 16451 Argyroupolis

Tsouktouridis Greg. Ioannis

178 Thivon & Koumoundourou, Rendis

Giannopoulos Bros., O.E

34 25th March-18543 Piraeus

Kranias Bros., O.E.

Eliki Egiou, Achaia

Seryanidis P. - Pagalos X. O.E

Filippoi Kavalas-Kavala, Kavala

Sarisavas Panayiotis

Efkarpia, Serres

Tychalas George

5 Kendrickis, Meliki, Imathia

Gousianopoulou Despoina

Chrysoupolis, Kavala

Seretopoulos Lazaros

12th Km. N.R. Thessaloniki-Edessa, Thessaloniki

Safiana EPE (branch)

Megali Doxipara, Orestiada

Kamaryiannis Athanasios

Likofi, Soufli

Bakirtzi LEMONIA

Aegean Marine Petroleum Exhibitor at the Connecticut Maritime Association Shipping Conference 2007 in the USA

The CMA Shipping conference is a Premier International Shipping and Trade conference and Exposition. This year's conference was held March 19-21 at the Westin Stamford Hotel in Connecticut and at which Aegean Marine Petroleum had a significant presence as an Exhibitor. This event provides business

Two important issues were addressed at this years conference: (1) the complexity of the markets in the 21st Century, examining the increasing interaction between physical and paper markets, as well as the rising influence of financial markets, ship owners, shippers, brokers, and traders who face a changing

President and CEO of Overseas Shipholding Group, INC (OSG) joins the distinguished list of maritime executives who have received the award for their leadership and commitment to the business. Aegean Marine Petroleum congratulates Mr Morten Arntzen and is proud to be a part of such a successful event. Aegean continues to have a strong presence in the Americas and worldwide as an established and reliable physical supplier of marine fuels.



From left: Mrs Georgja Kounalakis and Mrs Samantha Ziotis from Aegean's New York office, and Mr. Nikolas Tavlarios



opportunities from around the world. Individuals from all areas of the industry come together to network and share information and knowledge on global industry matters. Aegean Marine Petroleum is happy to be a part of Connecticut Maritime Association, which is recognized as the leading commercial shipping association for North America.

market for their business, and (2) the much-talked-about Panama Canal expansion, that was discussed by the Panama Canal Administrator Mr. Alberto Aleman Zubieta from the Panama Canal Authority (ACP). Every year the Connecticut Maritime Association awards a recipient with the Commodore Award. This year Mr. Morten Arntzen



Logging On

Customers and associates of Aegean may visit the company's website (www.aegeanoil.gr) to learn about the company's activities. Bunkering customers may register online to conduct business and maintain contact with the bunkering department at www.ampni.com

New Singapore Office Executive

Aegean is pleased to announce that Mr U Soe Paing has joined Aegean as an operations executive in the Singapore Station. He holds a second mate foreign going certificate of competency and he brings with him 15 years of marine and bunkering experience; he sailed for eight years as a officer on a bunker tanker and spent seven years working as an operations executive at a bunkering company in Singapore.



Aegean Cuts its New Year's Pita

Aegean hosted its annual New Year's Pita cutting event on February 9, at the FOS night club, on Iera Odos in Athens. The night began with a greeting and review of 2006 by the Group's President Mr. Dimitris Melissanidis. Mr. Melissanidis then presented awards to six of the company's employees for their outstanding performance during 2006. The honored employees, who received a plaque and 1,000 Euros each, are:

Kamenidis Demetrios, Aegean Oil

Mendrinis Stamatis, Aegean Shipping

Manitsas Apostolos, Aegean Marine Petroleum

Psaromichelakis Michalis, HEC

Sekeslidis George, Thessaloniki Office

Siskos George, Alexandroupolis Office

The evening's celebrations picked up with Aegean's people dancing—as is the custom—throughout the club, in the corridors and on the tables, turning the venue into a huge dancing floor as the leading singers, Kourkoulis and Klesidou, set the place afire with their performance.

Everybody had a wonderful time and kept rocking until the early morning hours.

The lucky guests who found the coin in the Pitas, and won 500 Euros each, were Katerina Glytsou and Demetris Bitzos.

Aegean extends best wishes to everyone for another successful year. Many thanks are due to Aegean's Management for the unforgettable evening.





New Carbon Emissions Limits

The European Union announced new carbon emissions limits under the second phase of its carbon trading scheme

The EU's overall plan calls for its member nations to cut greenhouse gas emissions by 8% from 1990 levels by 2008-2012.

That is in line with their Kyoto commitments.

But European countries are off the pace. Hence, the EU's newly announced catch-up targets.

These are, on average, 7% below the levels member nations were proposing and are also 7% below 2005 emission volumes.

The new targets cover ten European countries that account for 42% of the carbon allowances allocated for the 2005 to 2007 period: Germany, Greece, Ireland, Latvia, Lithuania, Luxembourg, Malta, Slovakia, Sweden and the U.K. The remaining member countries still have to reach agreement with the EU on their national targets.

HELMEPA Celebrates 25 Successful Years

The Greek Association for the Protection of the Marine Environment, HELMEPA, is celebrating 25 years since its foundation.

Under the slogan "Let's Save the Seas," Greek shipowners and mariners founded HELMEPA, a unique collective effort for the prevention of sea pollution from ships, using man and the Greek sense of honor as its founding principles.

On Wednesday, June 6, 2007 at the Athens Concert Hall (Megaron Musicis), HELMEPA will present its programs and activities in the presence of representatives of the State, the European Union, the diplomatic corps, executives from the Greek and international shipping community, and its members. The programs and activities of HELMEPA have been in place for 25 years through the voluntary efforts of the shipping industry and the voluntary efforts of the student community in Greece and elsewhere.



Minister Kefaloyiannis Reviews Three Year Office Term

Mercantile Marine Minister Manolis Kefaloyiannis recently outlined his ministry's work, initiatives, and prospects over the three-year period that he has been in office.

Mr. Kefaloyiannis referred to the ministry's new headquarters, saying that a decades-old dream has become a reality. The building totals 42,000 square metres, is ultramodern, and its total cost of 30 million Euros was covered with a loan from the Deposits and Loans Fund.

The Minister also referred to the Greece-Korea Memorandum of Cooperation on the development, management and operation of the Tymbaki port, and said that it constitutes a milestone, since it is an important project that provides great prospects of development for Crete and the Greek economy. Regarding the city of Piraeus, Mr. Kefaloyiannis pointed out that the first goal is its development into an international maritime center.

IMO's Efthymios Mitropoulos Speaks in Athens



International Maritime Organization (IMO) Secretary-General Efthymios Mitropoulos gave an address in Athens in February on the theme "The IMO's Work and Mission," that was organized by the Diplomatic Academy at the foreign ministry. Deputy Foreign Minister Yiannis Valinakis also addressed the event, who referred to Greece's protagonist role in world shipping and to its contribution to the strengthening of IMO. Greece is in first place in shipping among EU member-states, with 22 percent of total capacity, and Greek-owned ships control 16 percent of world capacity, Mr. Valinakis said.

Mr. Mitropoulos spoke about IMO's primary targets, "which concern the safety of international shipping, to which, in these past few years, particularly after September 2001, has also included the aspect of terrorism, illegal activities, and the protection of the environment."

New Duties for Captain Cliff Brand



The Maritime Administrator of Gibraltar Ship Registry, Captain Cliff Brand, has announced that he will be leaving the Gibraltar Flag. His farewell announcement:

“Dear All,

Some of you will already know of my move, for others this is perhaps an appropriate time to let you know. On the 22nd March 2007 I will be taking up the post of Chief

Executive Officer with the Gibraltar Port Authority. I will also take on the duties of Captain of the Port.

I have sincerely enjoyed my time at the Gibraltar Maritime Administration and have seen the organisation go from strength to strength during my two years in post as Maritime Administrator. The success of the organisation is of course down to its staff, both past and present, and the support it has received from the Government of Gibraltar, the UK MCA, and the ship owners/operators, which have their ships, registered under the flag of Gibraltar. Amongst other things, the previous two years has seen registered tonnage grow by 20% per annum, achievement of Paris MOU “white list” status, ISO 9001:2000 accreditation, more transparency in the organisation, coupled with an on-going policy of customer focus.

I will obviously miss much about the Gibraltar Maritime Administration, not least of all its external affairs with other maritime organisations, flag states, and ship owners/operators.”

Aegean takes this opportunity to wish Captain Brand the best of luck and success in his new post as Port Authority Chief Executive. We look forward to working with him in his new post, and offer our assistance in any way.

Piraeus— Center of Maritime Arbitration

Mr. Paul Avrameas, President of the Greek Association of Maritime Lawyers, in a recent interview pointed out that other international centers, especially London, continue to monopolize Greek shipowners' cases requiring maritime arbitration, despite the fact that Piraeus has been established as an important center of legal counsel in the field of maritime law, and emphasized the benefits that could result from a change in this scene. “ If Piraeus becomes a center for international maritime arbitration, the benefit for Greece's legal sector will result from the increase of cases demanding legal attention, and for Greek shipping from saving time and money. But above all, what is most important is the benefit for the whole country, as it will upgrade its legal culture and its influence internationally.



In Search of Gas for Turkish-Greek- Italian Pipeline

An important issue currently under review regards the supply of 11.5 billion cubic meters of gas for the pipeline under construction that, from its origin in Turkey, will cross Northern Greece and will terminate—through an undersea pipeline—in Southern Italy. By the middle of 2007 the first section of the pipeline, connecting Greece with Turkey, is expected to be ready, but it has not become clear yet if it can be fully supplied. The natural gas quantities from Azerbaijan will be relatively small and will not be sufficient to make the pipeline viable when it starts operating in 2011. An alternative source is with supplies from the Bluestream pipeline already crossing Turkey from the North to the South, currently being supplied with natural gas from Russia. However, Brussels directives are very clear: the Turkish-Greek-Italian pipeline must not be connected with Bluestream, since this will flood Europe with an almost exclusive supply of Russian gas.



ELNAVI Features Dimitris Melissanidis and Aegean's Impressive Course

Aegean's impressive course was the main topic of the monthly shipping magazine ELNAVI, which published an interview with Aegean's founder Mr. Dimitris Melissanidis in its February issue.

Some excerpts from the interview:

Aegean Marine Petroleum Network is listed in the NYSE, the largest stock market of the world. How did you achieve this?

When I announced three years ago that Aegean would enter the New York Stock Exchange, I had already created a plan to make it happen. I saw that the only way to achieve rapid expansion was to find funds. The only stock market that could provide the necessary funds was Wall Street. That was the vision, the idea. After that we carefully planned our steps, and in December of 2006 Aegean shares were finally on the Wall Street board.

What is your next step?

Our participation in the largest stock market in the world—in addition to the fact that it provided us with the funds that we required—creates enormous responsibilities. From now on we have to ensure we are worthy of the trust that the investors put in us. Our target is, with the completion of almost 40 newbuild tankers, for Aegean to have the greatest and most modern fleet of bunkering vessels in the world, to create a global network of bunker stations at the most important ports of the world with cus-

tomers in the best and most reliable foreign enterprises.

In 2002, with 250 gasoline stations in Greece, you said that the aim of Aegean in the local market was to create 500 gas stations and to have 5% of the market share. In 2006 Aegean achieved the target of 500 gas stations, controlling 7% of the market share and holding fourth place in gasoline sales in Greece. How did you achieve that and what is your next target?

We entered the market as a new company, with a new corporate identity, with Greek colors, and the following three principles. First, credibility, with which we approached gas station owners and presented a new concept of cooperation. Second is our low price policy and third is the quality of our fuels.

As far as our targets are concerned, during the next five years we expect to reach 800 to 1,000 gas stations and a two-digit percentage in the local market.

Recently you announced that Aegean acquired the Texaco installations in Skaramaga. What is the meaning of this move?

With these installations Aegean has a strategic advantage, since it has more private storage facilities that are con-

nected with the refineries and there are also extensive port facilities that can accommodate two tankers. These installations will help Aegean expand its targets in the local market in Attiki, southern Greece, and the islands, and also in the bunkering market.

It appears the Burgas-Alexandroupolis pipeline will soon be under construction. How do you intend to take advantage of this development?

We set up storage facilities in Alexandroupolis in 1999, because we believe in the area and because we anticipated these pipeline developments. We have taken a number of timely steps and we are preparing to have a presence and an active participation in the developments that are connected with the operation of the Burgas-Alexandroupolis pipeline.

Ideas and visions need support from the right people. You have the idea, but its implementation needs staff and personnel..

It is true that a great share of success is due to our partners, staff, and executive personnel. We view the challenge together, we believe and share a vision, and we plan carefully and proceed in the implementation of our strategic steps. ❁

New Floating Separator in Operation

The Hellenic Environmental Center, implementing its plans and carrying out its mission of protecting the sea environment with responsibility nationwide, acquired a new Floating Separator within its investment program framework.

We are talking about the double-bottom, double-hull tanker ECOMASTER, whose conversion and outfitting with the most contemporary mechanical and electronic equipment has been completed and has already been licensed by the Ministry of Mercantile Marine, following a Common Ministerial Decision of the Ministries for Environment, Physical Planning and Public Works; Culture; and Mercantile Marine. The total cost exceeded 15 million Euros and its capacity is 100.000 m³, with a pumping capacity of up to 3,000 m³/hour for fuel of any viscosity and a separating capacity of up to 2,000 m³/hour.

With this new Separator, which will be the biggest Floating Separator in Europe, the Hellenic Environmental Center, being committed to environmentally sensitive issues, is promoting to an even higher level the efficiency and quality of its services, not only by anticipating developments but also by anticipating the needs of the shipping environment and the strict demands

of contemporary International environmental legislation.

More ships will be served simultaneously and, concurrently, tank cleaning services for any type and size of tanker will be provided with warm water and/or steam and, in addition, inert gas will be provided.

More ships will be served simultaneously and at the same time tank cleaning services for any type and size of tanker will be provided with warm water and/or steam. Inert gas will be provided too.

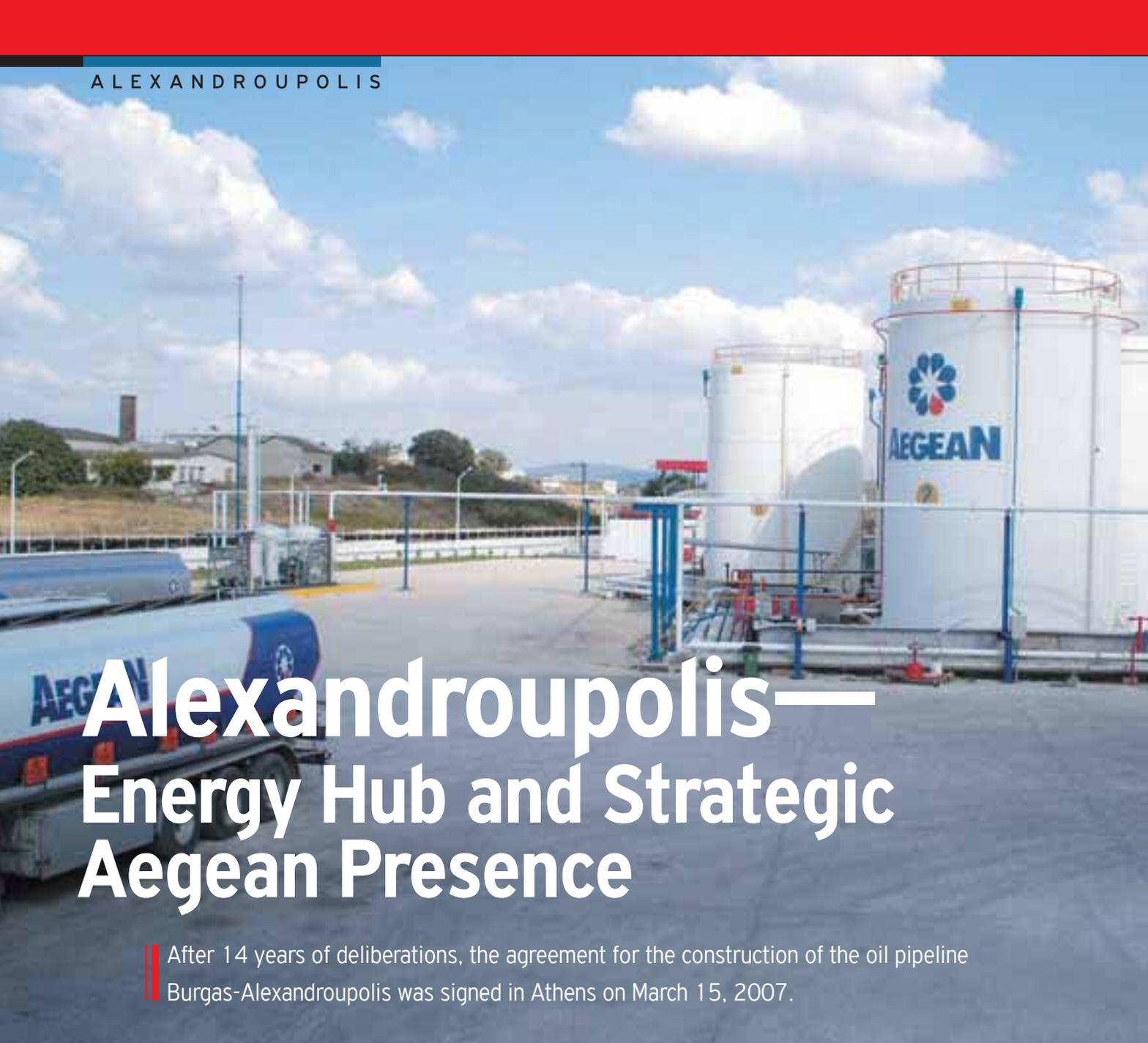
Furthermore, the high pumping, separating and storing capacity of the floating Separator becomes a significant advantage in cases of extensive pollution, since it is well known that one of the biggest problems in such serious cases is the storage and pumping of the oil residues to be recovered.

In addition to these operational advantages, the floating Separator contains a fully equipped oil spill

combating station equipped with:

- ▶ Oil containment booms
- ▶ Skimming systems
- ▶ Oil sorbents and absorbents
- ▶ Oil dispersing and spraying equipment approved by W.S.L and Greek authorities
- ▶ Fenders

In general, the Hellenic Environmental Center, by this new acquisition and addition to its contemporary equipment, and in combination with its scientifically trained and responsible work force, may be seen as a decisive ring in the eternal cycle of nature and life, transforming, through the recycling process, the useless into the useful, the harmful into the beneficial, the pollutant into an energy resource, and waste into a life cycle element. ❁



Alexandroupolis— Energy Hub and Strategic Aegean Presence

After 14 years of deliberations, the agreement for the construction of the oil pipeline Burgas-Alexandroupolis was signed in Athens on March 15, 2007.

The Pipeline

The signature of the long-delayed Burgas-Alexandroupolis oil pipeline agreement between Greece, Russia and Bulgaria was hailed as a "historic" moment by the leaders of the three countries, who attended the official ceremony held in Athens.

"An issue that remained outstanding for 14 years has been resolved in the best way for the benefit of all concerned," Greek Prime Minister Costas Karamanlis said in statements during

a joint press conference with Russian President Vladimir Putin and Bulgarian Prime Minister Sergei Stanishev after the signature of the trilateral agreement.

According to President Putin, the pipeline is one of the most important projects in Europe and the entire world, while Prime Minister Stanishev spoke of a "new era in the energy sector." All three leaders promised that construction would use the latest 21st-century technology and fully

respect the environment, both during extraction and in transporting the oil.

"Environmental organizations will be satisfied and we will meet all their demands. We will even change the pipeline's route, if necessary," Mr. Putin said, citing his country's extensive experience, especially in the region.

European Union Energy Commissioner Andris Piebalgs welcomed the signing of the Burgas-Alexandroupolis pipeline agreement, noting that construction of the project will reduce



With the operation of the pipeline, the role of Greece is upgraded, as the country, through the hub of Alexandroupolis, is placed at the heart of the energy map of Southeast Europe, and its national energy security reinforced.

the "increasing pressure" of maritime oil transport through the Bosphorus and the Dardanelles straits.

"In the oil sector, increasing international concern is being expressed over the threat of maritime accidents and the ensuing significant environmental damage caused by the resulting oil spills. Given the increasing density of maritime traffic in the enclosed Black Sea and additional quantities of oil exported from the region, it is of utmost importance to

give a higher priority to the alternative of transporting oil by pipelines," Commissioner Piebalgs said.

According to Piebalgs' press office in Brussels, the Burgas-Alexandroupolis oil pipeline is considered by the Commission as a Project of "pan-European Interest" in the INOGATE programme, which identifies strategic routes for hydrocarbons.

The Burgas-Alexandroupoli pipeline will be used to transport Russian and Caspian oil from the Bulgarian Black Sea port of Burgas to the Greek Aegean port of Alexandroupolis. The pipeline will be an alternative route for Russian oil bypassing the Bosphorus and the Dardanelles. Its construction will begin in 2008, and is estimated to be completed by the beginning of 2011.

The pipeline, with a diameter of 900 mm (36 inch), will be 279 kilometers long, and will transport 15-23 million tons of oil per year during the first phase,

as well as 35 million tons during the second phase. The pipeline will have three oil refilling stations, two of which will be in Bulgaria (the first at Neftochim, close to Burgas) and one at Alexandroupolis. The project will also include reconstruction of Burgas and Alexandroupoli terminals, and will feature oil tanks with a capacity of 600,000 tons in Burgas, and with a capacity of 1,200,000 tons in Alexandroupolis. The pipeline is expected to cost up to 1 billion Euros.

The pipeline will be constructed and owned by the International Project Company, 51% of whose shares will be given to the Burgas-Alexandroupolis Pipeline Consortium, a joint venture of Russian Transneft, Rosneft and Gazprom Neft. The remaining 49% of shares will be distributed between Bulgargaz and Terminal Universal Burgas from Bulgaria, and Bapline consortium, a joint venture of Hellenic Petroleum and Thraki from Greece.



Revenues for Greece and Bulgaria are estimated at 35 million Euros annually for each country.

The Burgas-Alexandroupolis pipeline will be the first pipeline constructed in Europe in the last 40 years.

With the operation of the pipeline, the role of Greece is upgraded, as the country, through the hub of Alexandroupolis, is placed at the heart of the energy map of Southeast Europe, and its national energy security reinforced.

Alexandroupolis

Alexandroupolis, the capital of Evros, holds a leading position in the geographical area of East Macedonia and Thrace, as it constitutes the basic connecting point between European Community countries and the Mediterranean and Black Sea countries. It has been distinguished as the major internal border hub of the European Union. The city of Alexandroupolis has

witnessed a surge in financial development. The harbour and the rail station are important transit trade centers.

There are four schools of the Demokritian University of Thrace in operation at Alexandroupolis, the most significant of which is the School of Medicine, housed in the biggest and most modern hospital in the Balkans.

According to Northern Evros residents, the construction of the Burgas-Alexandroupolis pipeline will have positive effects in their region, and they express their belief that the prefecture will develop, as young people will have the chance to find jobs and stay in the place where they were born. It is estimated that during the project's construction period, 2008-2010 and until its completion, hundreds of jobs will result, while during its operation 250-300 new work positions will be created.

There are, of course, those who express their reservations regarding

possible environmental consequences from the pipeline, but the majority of the inhabitants are convinced the area needs such a big project and firmly believe that the authorities will keep their promises to safeguard the environmental balance of the region.

Aegean and its Presence in Alexandroupolis

Aegean started its operations in Northern Greece in 1999 when it bought Evroil's installations in Alexandroupolis, and then started to take its first steps in the retail market. It modernized the installations and began building an image completely different from the image of its competitors in the fuel trading sector. The difference from the other companies was soon very distinct.

Aegean became a people-centred company with respect to the customer and with a high level of professionalism. In its efforts to keep a balance in the market, Aegean is dedicated to three basic principles:

- ▶ High quality of services and products
- ▶ Competitive prices
- ▶ Respect to the customer – consumer and to the environment

Environmental management is one of the company's basic commitments and Aegean attained an ISO 9001:2000 Quality Management System and an ISO 14001:2004 New Environmental Management System. Furthermore, it has implemented a program in its installations and stations to contribute to the reduction of negative environmental consequences. Within this specific framework it has installed a

The prefecture of Evros will be developed, as young people will have the chance to find jobs and stay in the place where they were born. It is estimated that during the project's construction period, 2008-2010 and until its full completion, hundreds of jobs will result, while during its operation 250-300 new work positions will be created.



VRU (Vapour Recovery Unit) in the facilities of its Alexandroupolis operations. Furthermore, the company has installed two state-of-the-art six and eight inch pipelines for loading and unloading fuels from tankers with the “pig” system, replacing the old ones, in order to avoid the possibility of an accident and uses sea water for the avoidance of oil residues. It has also installed and operates a highly advanced FACET waste oil separator, where a first stage processing-separation of liquid waste from the Installation takes place. This, combined with the regular monthly chemical inspection-analysis of liquid waste from the oil separator, monitors and protects the natural environment from possible pollution.

At its Maistros coast installations, Aegean is operating a chemical lab, with ultra modern fuel quality control equipment, to ensure the quality of traded fuels.

The Alexandroupolis installations also include a) a super modern tank-truck Bottom Loading facility

Aegean, in its installations at Maistros, has installed a chemical lab with ultra modern fuel quality control equipment to ensure the quality of traded liquid fuel.

connected to automatic programming and loading software for distributing fuel to Northern Greece gas stations, and b) a loading train wagon facility to allow fuel transportation to domestic and international destinations.

With a deep commitment and great sense of responsibility to protect the land and marine environment, Aegean cooperates with the Hellenic Environmental Center (HEC). Aegean has at HEC’s disposal a reservoir for the storage of oil waste from ships and oil installations in Northern Greece. The waste is transferred to HEC’s floating separator, where through a recycling procedure, the useless is transformed into useful and the pollutant into an energy source, with the assistance of Intergeo, a global industrial environmental consulting company, which

performs continuous tests in the installation area and examines and monitors underground water in the region.

Respect to the environment and to the customer, personal relations with its clients, and its reliability have placed Aegean at the top of consumer preference. This is the main reason for Aegean’s fast development in the greater area of Northern Greece and in Thrace as well, where it maintains first place in liquid fuel trading.

It is under these favorable conditions that consumers are expected to lead the company to even higher levels.

And, in light of the agreement for the construction of the Burgas-Alexandroupolis pipeline, Aegean is once again ideally positioned, this time at the epicentre of the energy market of Greece and Southeast Europe. ❁

Impacts of Lubricant Oil Spills on the Marine Environment



Lubricant oils are regarded as chemical products and the marine lubricants industry is responsible for approximately 1.0 to 1.5 % of the total global “chemical” production by weight. Manufacture and disposal of such a volume of material represents an environmental risk and challenge.

DIMITRIS BAKINEZOS | LUBRICANTS MANAGER

A large proportion of marine lubricant production is dispersed into the environment either in the form of spills, leaks or emissions of partially combusted oil derivatives in engine exhausts.

Lubricant oil spills have wide-ranging impacts on the marine environment, polluting sea waters and harming aquatic life. Lubricant oil spills also have serious impacts on the ecosystem.

The consequences of an accident vary according to the season. Hydrocarbons from lubricant oil spills are absorbed by marine organisms in their food or directly in their bodies. The toxic compounds in lube oils can accumulate in organisms higher up the marine food chains and also may sink into sediments on the seabed.

Lubricant oils at sea can harm the tissues of fish and at the same time disturb the food chains that fish depend on. Lube oil is a serious hazard when it accumulates in the

fish’s respiratory organs, leading to suffocation.

Spills during the spring season affect the functioning of entire ecosystems and natural habitats by disrupting the breeding process. The dangers

A key performance measure of lubricants affecting the environment is the lifetime of the lubricant itself.

facing oiled birds include loss of ability to fly, hypothermia, decomposition of red blood shells, respiratory and digestive organ disorders.

Oil contamination can also affect marine plants. If the vegetation along the shoreline is harmed, it can lead to the disappearance of habitats for many species.

It may take years to recover from such pollution, so the effects can be long term. The consequences of a

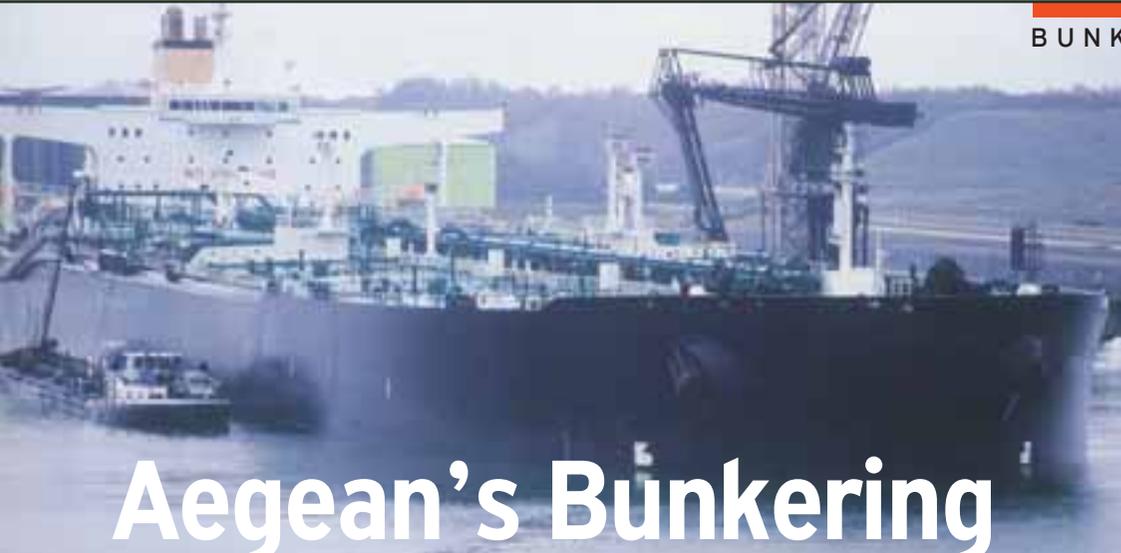
lubricant oil spill vary. The speed at which marine and coastal ecosystems can recover from such a spill vary from a few months to several years, depending on factors such as quantity of pollutant, waves and tides, and current conditions.

Spills of bio-based lubricants are handled in the same manner as spills of petroleum based lubricants.

A key performance measure of lubricants affecting the environment is the lifetime of the lubricant itself. If, for example, a lubricant can be made to last twice as long, only half as much lubricant will be required with corresponding reductions in the energy and material requirements for lube oil manufacture. That directly affects the environmental impact of lubricant disposal.

Continuous developments in lubricant technology is already leading to an overall reduction in volume demand, through use of high quality/high stability lubes, resulting in extended drain intervals. 🌱

Spills during the spring season affect the functioning of entire ecosystems and natural habitats by disrupting the breeding process.



Aegean's Bunkering Station Network



Today, bunkering is considered one of the cornerstones of the shipping industry, in which growth is expected in the near future. Aegean has developed into a significant and constantly expanding player, with bunkering stations in key destinations of the globe.

Piraeus

At the bunkering station in Piraeus, refuelling is carried out by six Aegean-owned ships with capacities of between 1,000 and 4,000 MT. Ships can also be supplied while alongside births, by company-owned tank trucks.

More than 3,000,000 MT of fuel are delivered annually to vessels calling at Piraeus, 600,000 of which Aegean delivers—enjoying an enviable 20% market share. The company supplied more than 1,700 vessels in 2006.

Gibraltar

In 2006, the total supplies in Gibraltar exceeded the 4 million ton mark, and continued growth is expected. This reflects a growth of over 7% for the period 2003 to 2006.

Leading the way in this continued growth is Aegean's operation in Gibraltar. The growth in the annual supply figures has consistently been considerably above the market growth. The growth of Aegean supplies in Gibraltar from 2003 to 2006 has been 85.60%.

This above-average growth in the market is a continuing trend, with the first two months in 2007 showing an increase of 78.08% by Aegean from the same period in 2006, while the Gibraltar market has grown 8.50% during the same period.

Khor-Fakkan/ Fujairah

Aegean began operations in Khor-Fakkan in 2000 and since the beginning of 2007 secured the required permit for delivering bunkers in Fujairah as well. Khor-Fakkan and Fujairah are two of the main bunkering ports in the Gulf and Aegean is well-positioned to continue increasing its volume considerably.

According to local authorities, each year more than 11 million tons of bunkers are delivered to the vessels that call in the area.

Jamaica

In March 2005, Aegean launched its bunkering operations on the Caribbean Island of Jamaica. The new location is a beachhead for Aegean in the Americas

and a further step in the company's global expansion efforts. The company began its operations in the island capital of Kingston and recently added a second location on the island at Ocho Rios. Kingston is a bunkers only calls location and Ocho Rios supplies cruise ships and commercial ships calling at the Caribbean port.

Singapore

Singapore is the world's leading bunkering port. In 2005, the port supplied a record total of 28 million tons of bunkers.

Aegean commenced its Asian presence in July 2005 with the opening of its office in the heart of the business district in Singapore. The office is staffed with experienced personnel and is ready to respond to all fuel requirements, not only in the port of Singapore but also at any other ports in the Asian and Oceanic regions. Aegean is the first company to be granted a bunkers supplier license in the port of Singapore after the accreditation scheme was implemented by the Maritime Port Authorities of Singapore in 2003. ❁

Yiannis Fotiadis 16th Km Thessaloniki-Polygyros "Someone to Listen"

The gas station of Yiannis Fotiadis is new. Just two years old. The gas station owner himself, however, has been in the profession for some time.

I have been in the fuel sector for 17 years. I started working in my father in law's business, who was trading heating fuel. In 1997 I decided to start something of my own and I set up a gas station in Thermi, which is still in operation today.

How did you decide to set up this gas station?

Up to 2004, I only had the other gas station in Thermi, in the central part of the village. When I found this piece of land here, I decided to build a second one. The new gas station operated from the beginning as an Aegean gas station.

How did the cooperation with Aegean come about?

Aegean has for some time now become a powerful name in our sector. I knew of the way it operated from other colleagues, and from customers who had

happened to use its services at some point. On the other hand, the cooperation I had with the previous fuel trading company was full of problems. There are still issues between us, pending in court. This is the main reason why I decided to make a change. When I began the construction of this gas station I had already made up my mind.

How did you contact Aegean?

I had known Antonis Hatzis for years. Following my decision to pursue something better I asked him to get me in touch with Iakovos Melissanidis. That meeting confirmed my initial beliefs.

What was so decisive in that meeting?

You know, sometimes it is in the simplest of things that serious issues are judged positively. Prices had been a serious issue in my previous coopera-

tion. But what was most important to me was something which is by now commonplace and has been said over and over again. There was no communication. I started alone in this business without any backing at all. In my previous cooperation I remained unbearably alone in whatever problems I faced. No matter what my complaint was, there was no one to listen.

My first contact with Aegean was indicative of the different climate prevalent in the company. Iakovos Melissanidis came himself to see me, we had a glass of wine and it was all very clear. It was as if we had known each other for 100 years.

As it was natural, the old gas station in Thermi put on the Aegean colors at the same time as the new one.

Two years have gone by from the beginning of the cooperation, and experience has confirmed the initial impressions.

"I am more than happy with my decision. My customers are also very happy with the quality of fuels and of course with our very competitive prices. We have steady customers but there are also some passers-by who stop to fill up when they see the Aegean logo.

My relationship with the people of Aegean is exactly the way I wanted it.

Iakovos has stood by me like a friend. During difficult times I had the help I needed, not just moral support but financial backing as well.

I started alone, without any backing, and for years I felt the lack of support during difficult times. Now I have someone who listens."

So simple, so incredibly important! ❁



I started alone, without any backing, and for years I felt the lack of support during difficult times. Now I have someone who listens.

Fotis Staikos— 129 Herakliou Avenue, Perissos

|| As the train moves towards Kiffisia, on a rather grey day, one's eyes all of a sudden fall upon a huge daisy, there, almost next to the train's tracks. When did it sprout?

Mr Fotis Staikos, owner of the new gas station, next to the train tracks, in Perissos says, "on May 13 it will be a year I started the operation here, with the Aegean colors right from the beginning."

It was not easy to locate Mr Staikos and have a conversation with him. Always on the road, trying to take care of a million things, he is responsible for seven other gas stations. Four of the stations are located in Athens. The gas station in Perissos is the most recent. In addition to the gas stations, Mr. Staikos owns four tank trucks, three of which he has at the disposal of Aegean.

How many years have you been in this profession Mr. Staikos?

Oh, I am many years in this business. Thirty years, out of which 25 having to do with gas stations.

Is this gas station on Heakliou Avenue a completely new business or was it in operation before?

There was a gas station here that operated with the logo of another company. It has been carrying the Aegean logo since I took over approximately a year ago.

What about your other gas stations?

All my other gas stations have been with Aegean for the past two years. Something which I should have done much earlier.

What do you mean? Did you face problems in your previous cooperation?

His answer is a bit different than expected. Mr. Staikos is a polite man but his speech is austere and unadorned.



What influenced my decision was the fact that Aegean was a new, rapidly developing company. This, in my opinion, could only be good.

"No, I did not have any specific problems. My decision to cooperate with Aegean had, to a large extent, to do with my relationship with Mr. Iakovos Melissanidis. We talked and we decided that I would continue my professional activities in this sector with Aegean. What also influenced my decision was the fact that Aegean was a new, rapidly developing company. This, in my opinion, could only be good."

"Old brains" is a common saying when commenting on the ideas and views of older people. "Old brains, huge experience" we shall add. Expe-

rience to recognize the possibilities of a new, dynamic scheme.

Was there an evident change in your customers' reactions when you adopted the Aegean logo?

Yes, there was a distinct, positive change. Consumption increased dramatically in all my gas stations.

Would you like to comment on your cooperation with Aegean so far?

Consistent with the simplicity characterizing his speech "What can I tell you? The best of words." ❀



RO/RO Tankers—

Interview with Nikos Peramatzis, Gas Station Network Manager

Aegean has repeatedly announced the order of six ships for the supply of fuels to the islands, and we know that the building of these ships is progressing fast. Tell us about the reasoning behind this move.

Greece, and consequently the liquid fuel market, includes a large part of the

ity to transport liquid fuels with safety as contemporary double hull, double bottom tankers, and at the same time to carry four tank trucks which will transport fuel from the ships to the gas stations and to industrial clients (factories, quarries, small industries).

of the French Register Bureau Veritas (BV) and the combination of this ship, RO/RO (car ferry) with an open sea tanker, is considered revolutionary in the liquid fuel transportation sector.

In reality they are floating liquid fuel installations, able to fully serve the needs of the islands and the coastal areas of the country, in the most contemporary and safe manner.

In reality they are floating liquid fuel installations, able to fully serve the needs of the islands and the coastal areas of the country, in the most contemporary and safe manner.

island areas, in which gas stations operate to serve local needs. In these areas the supply of fuel by sea is performed either by passenger vessels dedicated to serve these islands, or with older type (single hull) of vessel with an antiquated technology. In both cases there are great difficulties in planning and, as a result, in promptly supplying the gas stations. At the same time there is danger involved as far as safety and the protection of the environment are concerned. Our company, with all these factors in mind, decided to invest in the purchase of six, modern, specially constructed ships to serve the island regions. These ships will have the capac-

Give us some details on the ships' special features.

These ships are RO/RO-Tankers that have the ability to carry six different oil products with a total capacity of 2,640,000 liters. They are 89.95 meters in length, 14 meters in width, have a maximum draught of 4.50 meters, are able to travel in all weather conditions and are outfitted with the most advanced technology. Each ship will carry four tank trucks, each with a 30,000 liter capacity, and the most advanced loading system for the trucks in the ship (from the ship's bottom). The tankers are being built in a European shipyard with the supervision

From your description we conclude that the expenditure for these ships must be very high. What led the company to proceed with such an ambitious investment?

Aegean became active in the domestic market in 2000, with very high, optimistic goals, obtaining a trading license, without having a gas station network. It really started from the ground up. However, in the very early stages of its development, and recognizing the public's preference, Aegean made a promise: 'Aegean: soon everywhere.' And this was a commitment. In a very short period of time we developed a gas station network throughout the mainland. Therefore, the development of a network in the islands is part of the first stage of our initial goal's implementation. We have already estab-

lished a network of approximately 500 gas stations from the border of Thrace down to Southern Peloponnese. Our sales through the gas stations network place us in the fourth place among all companies active in Greece, and this is something that makes us very proud.

We believe, of course, that we still have a lot to do, an important step being, during this stage, our expansion to the islands. It is not by chance we are building six RO/RO-Tankers. We are planning to dedicate two of them to Crete, two to the Aegean islands, and the remainder two to the Ionian islands. In this way we firmly believe that we will serve these regions and their needs in the best way possible, with the most perfect equipment. Given our human-centered policy, which means we support our station owner's daily efforts to the fullest, we will soon establish a representative network of gas stations.

So, the main reason for this particular investment is your initial commitment of "Aegean, soon everywhere"?

I would have to say yes, since our initial commitment expresses perfectly Aegean's strategy. On the practical side we are among the very few companies who persist on investing in this sector, aiming to expand further. I should remind you that recently Aegean bought the Chevron-Texaco installations in Aspropygos, which are considered to be among the best in Greece in relation to their location and size. With this strategy it is only natural that we aim to expand and develop in Crete, the Aegean, and the Ionian, as we know that the percentage in these areas is greater than the 10% of total fuels being distributed in Greece.

We should also not forget that the tourism industry is very strong and developing especially fast in these regions and therefore there is real interest for us to be present there. A fuel trading company like Aegean, with such a rapid de-



The combination of this ship, RO/RO (car ferry) with an open sea tanker, is considered revolutionary in the liquid fuel transportation sector.

velopment and gaining the strong preference of the consumer, has no other choice but have a nationwide presence, so that it can serve its customers' needs "everywhere." It is a well-known "secret" that there are difficulties in these regions regarding their proper fuel supply and we believe that our initiative, with the means we have at our disposal, will secure solutions and a competitive advantage to our future associates.

Are you 100% optimistic about the outcome of this venture?

I must admit this undertaking represents a great challenge. But given Aegean's course up to now, we are optimistic

that our company will once again implement its ambitious plans, this time in the islands, and make its presence noticeable. We are convinced that the public, who trusted us in the rest of the country when our name was hardly known, will respond in a similar, if not friendlier, way to our entrance to Crete and the Aegean and Ionina islands. We know well by now that the quality of the products and services we provide, combined with the competitive prices and the transparency and reliability in the implementation of our policy, is the best environment for cooperation and the guarantee for even better results and higher objectives. ❁

2006

Aegean's Sales Positive Once Again

KONSTANTINOS POURSANIDIS | RETAIL MARKET MANAGER

According to data published by the Ministry of Development, there was an increase of 1.6% in total fuel consumption in the local 2006 fuel market.

Aegean once again registered an increase in its sales much higher than that of the market, and which amounted to 16.9%.

In Table 1 we present the increase/

decrease percentage of Aegean's sales by product and by product group, compared with the corresponding increase/decrease percentage of sales of the total domestic market.

We note that, except for the L.R.P., sales whose consumption is declining, Aegean is registering significant increases and its sales are much higher than the total market increases.

This positive outcome places Aegean firmly in sixth place in total fuels, with a 6.9% market share, among the 19 fuel trading companies of this sector and in fourth place in gasoline sales, with a 7.2% market share (Table 2).

The commitment of the company's human capital to further expand the company's activities allows us to be very optimistic and set our goals even higher. 🌸

Percentage Increase/Decrease of Domestic Market Sales Year 2006 VS 2005

PRODUCT	MARKET TOTAL		AEGEAN					
SUPER L.R.P.	-20.95%	TOTAL GASOLINE	1.72%	TOTAL GASOLINE	16.55%			
UNLEADED PETROL U95	6.63%		TOTAL FUEL			1.46%	TOTAL FUEL	18.59%
UNLEADED PETROL U100	-8.30%					1.56%		
DIESEL ENGINE	6.98%							
DIESEL HEATING	-1.98%							
TOTAL FUEL								

TABLE I

REMARKS: All quantities are expressed in metric tons

Gasoline Market Shares Bases on Ministry of Development Results Year 2006

2006	COMPANY	UNLEADED 95	PERCENTAGE %	UNLEADED 100	PERCENTAGE %	SUPER L.R.P.	PERCENTAGE %	TOTAL GASOLINE	PERCENTAGE %
1.	SHELL	711 496	21.4	39 250	14.3	56 209	13.1	806 955	20.0
2.	BP	593 044	17.8	107 100	39.1	82 567	19.3	782 711	19.4
3.	EKO	496 619	14.9	41 342	15.1	68 781	16.0	606 742	15.1
4.	AEGEAN	245 428	7.4	15 118	5.5	27 566	6.4	288 112	7.2
5.	AVIN	214 595	6.5	13 302	4.9	31 429	7.3	259 326	6.4
6.	JET OIL	185 664	5.6	11 095	4.1	26 799	6.2	223 558	5.6
7.	REVOIL	162 565	4.9	7 601	2.8	24 987	5.8	195 153	4.8
8.	ELIN	146 880	4.4	10 428	3.8	22 085	5.1	179 393	4.5
9.	ETEKA	141 608	4.3	8 311	3.0	15 881	3.7	165 800	4.1
10.	SILK OIL	103 994	3.1	3 412	1.2	24 063	5.6	131 469	3.3
11.	CYCLON	71 148	2.1	4 828	1.8	8 848	2.1	84 824	2.1
12.	EL PETROL	68 293	2.1	3 820	1.4	8 989	2.1	81 102	2.0
13.	DRACOIL	53 009	1.6	2 020	0.7	8 174	1.9	63 203	1.6
14.	KAOIL	40 777	1.2	2 487	0.9	7 262	1.7	50 526	1.3
15.	KMOIL	27 608	0.8	1 133	0.4	5 422	1.3	34 163	0.8
16.	SUN OIL	27 212	0.8	1 089	0.4	4 868	1.1	33 169	0.8
17.	ARGO	18 169	0.5	958	0.3	2 763	0.6	21 890	0.5
18.	MED OIL	11 283	0.3	339	0.1	1 792	0.4	13 414	0.3
19.	BITOUMINA	3 857	0.1	202	0.1	362	0.1	4 421	0.1
	TOTAL	3 323 249	100.0	273 835	100.0	428 847	100.0	4 025 931	100.0

TABLE II

REMARKS: All quantities are expressed in metric tons



Newbuildings

|| Aegean is now a few steps closer to the delivery of MT “MILOS,” the first tanker under construction in Fujian Southeast Shipyard in China.

The vessel is currently in the last stages of the outfitting phase, and will then begin sea trials. Upon successful completion, M/T “Milos” will be officially delivered to Aegean Bunkering Services Inc.

MT “Milos,” which will fly the Singapore flag, complies with all rules and regulations for ocean-going navigation.

The Builder, Aegean’s Supervision Team, and the vessel’s Classification Society are working together at this final stage of construction to ensure implementation of Aegean’s policy in providing quality tonnage and first class services in the bunkering sector. It is in this sector Aegean is aiming to gain competitive advantage by

Shipyards

Fujian Southeast	15 x 4000 dwt Product Oil Tankers (+4 Options)
Qingdao Hyundai	12 x 6200 dwt Product Oil Tankers (+4 Options)
Severnav	2 x 2400dwt RoRo Tankers (+4 Options)



This new approach to fuel trade and transport, based on a pioneering design, fulfils Aegean's vision to create new standards of delivering fuel to petrol stations, hence offering competitive prices and better service to the final consumer.

providing first class services to its clients.

The second vessel, MT "Serifos," and the third vessel, MT "Kithnos," are also progressing well.

These vessels will then take their turn to complete outfitting. Immediately after the launching, the fourth and fifth vessels will be erected on the slipway. There is quite a number of blocks already assembled in the builder's production line for the next vessels as the total order of Product Tankers made by Aegean to Fujian SouthEast Shipyard is 15.

A little further to the north, at Qingdao Hyundai Shipyard, the construction of the first 6200dwt Product Tanker has moved to the next stage. The erection of the vessel started at the end of March 2007 and the first blocks of the vessel were laid on the slipway for further assembly. Meanwhile, the inauguration of construction, marked by the steel cutting of the second vessel, was held on the same day. The builder hosted a ceremony celebrating these events, with representatives from Aegean and from Lloyd's Register, the Classification Society under which the vessels will be Classed.

There are, in total, sixteen 6200dwt Product Tankers to be built by Qingdao Hyundai. Designed by Koreans, the tankers fulfill all the latest requirements and regulations for safe ocean-going navigation. At the same time, they will be sup-



plied with high technology equipment for the bunkering trade.

On the European front of Aegean's New Building program, the construction of the first two Ro-Ro Tankers in Severnav Shipyard is also progressing at a fast pace. There are six Ro-Ro Tankers on order with the Romanian builder; the first two vessels have already been erected on the builder's slipway. The first vessel will be launched within the next month and is scheduled for delivery toward the end of summer, while the second vessel will follow shortly thereafter.

This new approach to fuel trade and transport, based on a pioneering design, fulfils Aegean's vision to create new standards of delivering fuel to petrol stations, hence offering competitive prices and better service to the final consumer.

Persistent to its commitment, Aegean's total order book consists of 37 vessels. It is worth mentioning that 31 of the vessels on order are dedicated bunkering tankers, making Aegean the only bunkering operator globally with such an extensive order book. This order allows Aegean, providing bunkering services in several locations around the globe, to fulfill its long-term strategic target of increasing its market share in the bunkering sector by combining an expansion of activities to current bunkering stations, but also to new locations through its tonnage supplement advantage after the implementation of new regulations for bunkering tankers. ❁

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SONAR

SONAR (**S**ound **N**avigation **A**nd **R**anging) is a technique that uses sound propagation under water (primarily) to navigate, communicate or to detect other vessels. There are two kinds of sonar — active and passive. The study of underwater sound is sometimes known as hydroacoustics.

The use of sound, for communication and object detection, by humans, is first recorded by Leonardo Da Vinci in 1490. A tube inserted into the water was said to be used to detect vessels by placing an ear to the tube. In the 19th century an underwater bell was used as an ancillary to lighthouses to provide warning of hazards.

The use of sound to 'echo locate' underwater in the same way as bats use sound for aerial navigation seems to have been prompted by the Titanic disaster of 1912. The world's first patent for an underwater echo ranging device was filed at the British Patent Office by English meteorologist Lewis Richardson, one month after the sinking of the Titanic, and a German physicist Alexander Behm obtained a patent for an echo sounder in 1913. Canadian Reginald Fessenden built an experimental system in 1914 which could detect an iceberg at two miles range, though it was unable to say which direction the berg was in.

During World War I, with the need to detect submarines, more research into the use of sound was undertaken. The British made early use of underwater

The world's first patent for an underwater echo ranging device was filed at the British Patent Office by English meteorologist Lewis Richardson—one month after the sinking of the Titanic.

hydrophones, while the French physicist Paul Langevin, working with a Russian émigré electrical engineer, Constantin Chilowski, worked on the development of active sound devices for detecting submarines in 1915 and this work influenced the future of detection designs.

In 1916, under the British Board of Invention and Research, Canadian physicist Robert Boyle took on the active sonar project, producing a prototype for testing in mid-1917. This work, for the Anti-Submarine Division, was undertaken in utmost secrecy, and used quartz piezoelectric crystals to produce the world's first practical underwater active sound detection apparatus.

By 1918, both the US and Britain had built active systems, though the British were well in advance of the US.

By the outbreak of World War II, the Royal Navy had five sets for different surface ship classes, and others for sub-

marines, incorporated into a complete anti-submarine attack system. At the start of WWII British sonar technology was transferred to the US. Research on sonar and underwater sound was expanded greatly, particularly in the US. Many new types of military sonar were developed. These included sonobuoys, dipping/dunking sonar and mine detection sonar. This work formed the basis for post war developments related to countering the nuclear submarine. Work on sonar had also been carried out in many other countries, notably in Germany. This included countermeasures. At the end of WWII this German work was assimilated by Britain and the US. Sonars have continued to be developed by many countries, including Russia, for both military and civil uses. In recent years the major military development has been the increasing interest in low frequency active systems. ❁

Maritime History of the Greeks- Prehistoric Period

The Greeks basically started shipping in pre-historic times, with the emergence and dominance of the fleet of Crete and to a smaller degree with the establishment of similar fleets of some cities of Continental Greece.

Before the Cretans, the Aegean was dominated by the Karas, the Helegas and the Phoenicians, who engaged in maritime commerce and piracy. The Greeks, because of these powerful fleets and because of attacks by the pirates, withdrew inland to more defensible positions in the mountains.

The Cretans were the first who succeeded in building up a considerable navy and, when they did, conquered the Mediterranean. Minos, the King of Crete, managed to push the Karas out of the Cyclades and clean-up the Aegean from the pirates; the ships of Crete started to engage in maritime commerce and with the passage of time would sail to all the ports of the then-known Mediterranean.

The decline of Crete as a maritime power came about through violent happenings. There were very destructive fires and violence as a result of the invasion of the Ahaiss. This was around 1450 BC, at a time when the Cretan fleet had weakened or was far from the island.

Thus, we come to the second phase of the development of the pre-historic Greek fleet, after the domination of the Cretans, with the emergence of mariners from the ports of continental Greece. It is difficult to know the facts of that period with any large degree of accuracy because mythology became intertwined with historical events.

The advance against Troy, the biggest maritime operation of the pre-historic



Hesiod talks about the seamanship of people, that people learn by necessity, for when their land is not fertile and does not produce, they take to the sea and learn the hard way.

period, gives us an idea of the size of the fleets and consequently the power and domination of the cities of that period. Mycenae was then the biggest maritime power and this is why Agamemnon was the leader of the expedition. Mycenae contributed 300 ships in a total of 1,186 vessels that sailed against Troy.

The islands contributed 174 ships, 80 of which were from Crete.

Hesiod talks about the seamanship of people, that people learn by necessity, for when their land is not fertile and does not produce, they take to the sea and learn the hard way. Hesiod also gives some sound advice. For a prudent merchant and ship-owner, Hesiod says, it is unforgivable to load on his ship all his fortune, because in the case of an accident, he may be totally destroyed. He also suggests that larger vessels, not small ones, should be used for the carriage of cargoes.

During the 8th century BC, the most suitable periods for sailing were the spring and the summer. The mariners of the day, before the rains came, "and before the new wine was opened," would stop their voyages and would take their ships out of the water. The boats would stay on shore during all the autumn and the winter.

The ships, of course, were not used just for cargoes but also for adventurous voyages to discover new places or for expeditions of war and conquest.

In Homer's time, they were equipped with 20 oars with a crew of 50, or with 50 oars with a crew of 120. Ship construction, according to Homer, was quite advanced. The boats were painted on the outside, both for preservation and for decorative purposes, with "miltos," equivalent to today's red lead or primer, and they were either covered with red or blue paint or tar. ❁

“Wine Delights a Man’s Heart”-PART C’

The Romans loved wine and became involved in viniculture despite the fact that they did not have contact with the worship of Dionysos and wine before the 8th century B.C.

Famous wines of the time were Falernius of Monte Casino and the wines of the southern Alps region. Gradually the Romans improved their vine cultivation and wine making techniques, displacing a declining Greece and becoming dominant in the wine market.



In many cases it was the clergy that contributed to the preservation of the winemaking tradition

Following the collapse of Rome, the migration of peoples, and the entrance of nomadic tribes into Europe and the Mediterranean, viniculture was sparse and in some regions was abandoned for centuries.

In many cases it was the clergy that contributed to the preservation of the winemaking tradition in the former Roman occupied regions, such as

France, Spain and the Rhine region in Germany. Even in our day, some famous French vineyards belong to monasteries.

The role of the clergy was also very significant during the Byzantine period. Large cultivatable areas would become church and monastery property and monks had the opportunity to set up large and contemporary--for their time-- wine production units and to improve production techniques and wine quality. One of the things that changed was the habit of mixing wine with water. Wine was made throughout the Byzantine dominion, but the most famous wines were the ones of the regions that had been famous in ancient Greece.

The period of the Turkish occupation did not restrict Greek viniculture to any significant degree. At the same time, in the West, the art of winemaking developed so greatly that it led to today’s superior products. From the 13th century and on, viniculture was introduced to the Iberian peninsula and by the 16th century it was an activity widely practiced in Spain and France. During that period many technical innovations were introduced, such as the use of the glass bottle and corks, and the production

of champagne, the invention of which is attributed to the French Benedictine monk Dom Perignon.

With the exploration of the great sea routes by the Spanish and Portuguese explorers, new horizons opened. Commerce contributed to the development of winemaking, and viniculture was introduced to South Africa, Australia, and the New World.

Greek viniculture was essentially destroyed following the 1821 revolution, but after that period cultivated areas were not only restored but they increased. In most regions, but mainly in the Peloponnese, vines were planted not for wine making but for the production of raisins. Corinthian currents became the main export product and pillar of the national economy of the newly established state, with upward export trends continuing up to the 19th century. During the decades that followed viniculture developed, but by the middle of the 20th century a decline occurred because of a phylloxera epidemic that struck Macedonia, but also because of turbulent historical coincidences. Nevertheless, it was during the post revolution period that the foundations of Greek wine making and of controlled and high quality wine production were established. ❁

The Development of Technology

The first American automobiles with gasoline-powered internal engines were supposedly designed in 1877 by George Baldwin Selden of Rochester New York, who applied for a patent for the automobile in 1879.

Selden did not build any cars until 1905, when he sued the Ford Motor Company for infringing on his patent. His case against Ford went to the Supreme Court, which ruled that Ford and everyone else was free to build automobiles without paying royalties to Selden, since automobile technology had improved since Selden's patent and no one was building those antiquated designs.

Through the period from 1900 to the mid 1920s the development of automotive technology was rapid, partly due to the competition among the hundreds of small manufacturers to gain global attention.

Important developments during this period include electric ignition and the electric self-starter (by Charles Kettering for the Cadillac Motor Company in 1910-11), independent suspension, and four-wheel brakes.

By the 1930s most of the technology used in automobiles had been invented, although it was very often re-invented again at later dates and credited to someone else. For example, front-wheel drive was re-introduced by Andre Citroen with the launch of the Traction Avant in 1934, although it had appeared several years earlier in road cars made by Alvis and Cord, and in racing cars by Miller.

After 1930 the number of automobile manufacturers declined sharply as the auto industry consolidated and matured. From 1960 and on the number of manufacturers remained almost



From 1900 to the mid 1920s the development of automotive technology was rapid

constant and innovation slowed.

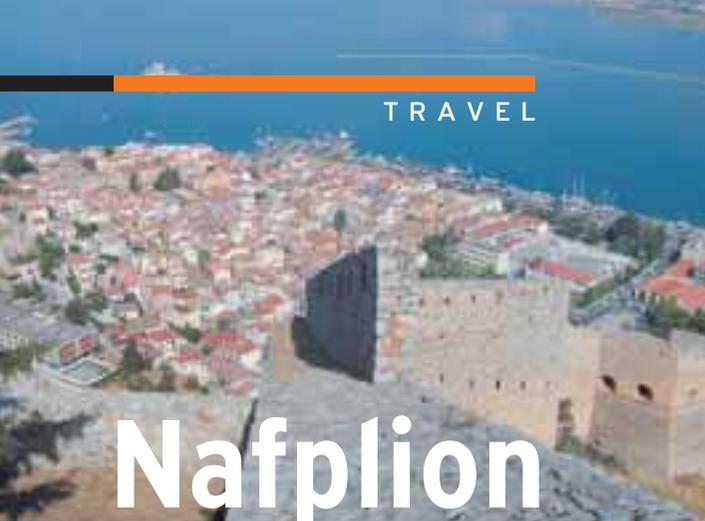
In most cases 'new' automobile technology was a refinement on earlier developments, although sometimes these refinements were so extensive that their original form was almost unrecognizable. A mini exemption to this was electronic engine management, which started to be widely used in the 1960s, when electronic parts became cheap enough to allow for mass production. These electronic systems, developed by Bosch, have enabled automobiles to drastically reduce exhaust emissions, increasing at the same time efficiency and power.

Model Variety

Since all cars have been mass pro-

duced from 1920, to meet demand, marketing plans and manufacturing to meet the large demand have often dominated the design of automobiles. The idea of different makes of cars produced by one firm belongs to Alfred P.Sloan, who believed that in this way buyers could "move up" as their fortunes improved.

This made it possible for makes to share parts with one another, so that the large volume of production resulted in lower costs for each price range. In the 1950's decade, for example, Chevrolet shared doors, hoods, roofs, and windows with Pontiac, while the LaSalle of the 1930s sold by Cadillac used the cheaper mechanical parts made by the Oldsmobile division. ❁



Nafplion



The legendary city of Nafplion captivates visitors with its colors and charm and takes them back in the past in a unique way. Every corner, every back alley, fills the visitor's eyes with images of modern Greek history.

Just 149 kilometers from Athens, Nafplion is an ideal destination for a weekend escape from the big city and even for a day excursion.

The first capital of the newly-founded Greek state, this superb old place, crowned by imposing castles, offers a warm embrace to everyone during all seasons.

Nafplion played a very significant role in all phases of Greek history, from ancient times up to today. During the Mycenaean period, it was a powerful naval state, with the Akronaplia rock used as protecting walls, although it later fell into decline and was abandoned.

During the Middle Ages it fell under the sovereign rule of the Byzantines, the Venetians, and the Franks. Throughout the 18th century, Nafplion lived under the Turkish rule. On November 29, 1822, Staikos Staikopoulos emancipated Nafplion from the Turks, seizing all the fortresses, and on December 3 of the same year he handed the city over to Theodoros Kolokotronis.

Palamidi

Just before we enter the city, on the left, rises the famous fortress of Palamidi, fortified by the Venetians in the 17th century. The fortification works were started by Francesco Morozini and were completed during the late years of the second Venetian occupation

(1686-1715). Palamidi has eight bastions connected by walls that all communicate between them. There were two accesses from the town to the fortress, one of which was domed with a vaulted roof and was later replaced by a stairway with 999 steps.

Palamidi has occasionally been used as a prison for long-term convicts. Theodoros Kolokotronis was also jailed there and visitors can even today see the "hole" in the ground used as his cell.

For today's visitors the steep, curved rock steps leading to Palamidi are the ideal way to reach it, as during the ascent a superb view of the sea is revealed in front of their eyes. For those not bold or fit enough to attempt the climb, there is always the alternative solution of driving up from the eastern side.

Bourtzi

The small island, the town's symbol, is only 450 meters away from Nafplion's pier and for the most part is covered by the small fortress built by the Venetians around 1471.

The fortress is a high octagonal tower surrounded by low semi circular towers for the canons on its eastern and western sides. During Venetian rule Bourtzi was connected with Akronafplia with a chain, which closed entry to the harbor to undesirable ships. Following

the emancipation of Nafplion, Bourtzi became quarters for the executioners of Palamidi's prisoners convicted to death. Much later, and for a small period of time, it was used as a hotel.

The old town is full of sights bearing witness to its historical significance. Impressive is the church of Saint Spyridon, built in the beginning of the 18th century, in front of which Ioannis Kapodistrias, the first governor of the new state, was murdered, with the bullet mark still seen today on the right of the church's door. A visit to the church of Saint George, the town's patron saint, built in the 16th century with a copy of Da Vinci's Last Supper in its interior, is also a must see. A work of exquisite architecture is the Catholic Church of the Transfiguration, which during Venetian rule was used as a mosque and was later offered to Nafplion's Catholic inhabitants by King Othon.

A walk in the old town, with its tiled streets, wooden balconies, bougainvilleas bursting from interior yards, ancient fountains, Constitution square with the old Turkish bath building (a movie house today), coffee houses, tavernas, and quaint little shops, all under the imposing shadow of Palamidi (and if you are fortunate with Bourtzi shining under the moonlight) will be indelibly stamped in the memory even of the most demanding visitor. ❀

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Aegean is Greece's most dynamic energy, petroleum, and shipping group. The company has a network of retail gas stations throughout Greece, is active in marine fuels and lubricants, and operates a fleet of tankers and barges internationally and domestically to transport petroleum and bunkers for its global base of clients.

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