



Sinopec Corp. Announces 2010 First Quarter Results

Beijing, People's Republic of China (PRC) — April 28, 2010 — China Petroleum & Chemical Corporation (“Sinopec Corp.” or “the Company”) (CH: 600028; HKEX: 386; NYSE: SNP; LSE: SNP) today announced its unaudited results for the first three months of the year which ended on 31 March 2010.

Financial Highlights:

- In accordance with the PRC Accounting Standards for Business Enterprises (“ASBE”), the Company’s turnover in the first three months of 2010 was RMB 438.209 billion, 92.62% over the same period in 2009. Net profit attributed to equity shareholders of the company was RMB 15.768 billion, representing an increase of 40.14% over the previous year. Basic earnings per share was RMB 0.182, rising by 40.14% year-on-year.
- In accordance with the International Financial Reporting Standards (IFRS), the Company’s turnover, other operating revenues and other income amounted to RMB438.209 billion, representing a 92.62%. Net profit attributable to equity holders of the Company was RMB 15.785 billion, up by 39.93% compared to the same period last year. Basic earnings per share was RMB 0.182, up by 39.93% year-on-year.
- Capital expenditure for the first quarter was RMB 16.844 billion.

Business Highlights

- In the Exploration and Production Segment, the output of natural gas increased by 40.97% year on year.
- In the first quarter, the processing volume of crude oil recorded an increase of 20.42% year on year to 49.50 million tonnes in the refining segment.
- As for the Marketing and Distribution Segment, the domestic sales of oil products amounted to 32.84 million tonnes, a year-on-year growth of 24.25%.
- In the Chemical segment, the production of ethylene and synthetic resin hit around 2.03 million tonnes and 2.92 million tonnes, a year-on-year growth of 36.29% and 20.72% respectively.

Mr. Wang Xinhua, Chief Finance Officer of Sinopec Corp. commented: "In the first quarter of 2010, China's economy further recovered. Stimulated by government's policies to boost domestic demand and improve people's livelihood, the demand of natural gas, oil and chemical products grew steadily. The Company took various proactive measures to expand the market for various products, optimize the product mix, and increase the gross output. Meanwhile, high priority was given to ensure safe production, energy conservation, and energy consumption reduction. In the first three months, the production of natural gas, refinery throughput of crude oil,

sales volume of oil products, and production of ethylene increased substantially. The pipeline of Sichuan-to-East China Gas Project was put into safe and steady operation. Moreover, Tianjin and Zhenhai ethylene projects started operation smoothly. We are glad that all segments realized good business performance.”

Highlights of Results

PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS PREPARED IN ACCORDANCE WITH THE PRC ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES (“ASBE”)

(Unit: RMB millions)

| | At 31 March 2010 | At 31 December 2009 | Changes from the end of the preceding year (%) |
|--|--|--|---|
| Total assets (RMB millions) | 914,276 | 866,475 | 5.52 |
| Total equity attributable to shareholders of the Company (RMB millions) | 392,816 | 377,182 | 4.14 |
| Net assets per share attributable to equity shareholders of the Company (RMB) | 4.531 | 4.350 | 4.14 |
| | Three-month period ended 31 March 2010 | | Changes over the same period of the preceding year (%) |
| Net cash flow from operating activities (RMB millions) | 30,149 | | (45.82) |
| Net cash flow from operating activities per share (RMB) | 0.348 | | (45.82) |
| | Three-month period ended 31 March 2010 | Three-month period ended 31 March 2009 | Changes over the same period of the preceding year (%) |
| Net profit attributable to equity shareholders of the Company (RMB millions) | 15,768 | 11,252 | 40.14 |
| Basic earnings per share (RMB) | 0.182 | 0.130 | 40.14 |
| Basic earnings per share (before extraordinary gain and loss) (RMB) | 0.180 | 0.130 | 38.46 |
| Diluted earnings per share (RMB) | 0.179 | 0.129 | 38.76 |
| Weighted average return on net assets (%) | 4.10 | 3.36 | 0.74 percentage points |
| Weighted average return (before extraordinary gain and loss) on net assets (%) | 4.05 | 3.34 | 0.71 percentage points |

Extraordinary gain/loss items

(Unit: RMB millions)

| Extraordinary gain/loss items | Three-month period ended 31 March 2010 (Income) /expense (RMB millions) |
|---|---|
| Gain on disposal of non-current assets | (27) |
| Donations | 12 |
| Gain on holding and disposal of various investments | (14) |
| Other non-operating income and expenses, net | (231) |
| Subtotal | (260) |
| Tax effect | 65 |
| Total | (195) |
| Attributable to: Equity shareholders of the Company | (192) |
| Minority interests | (3) |

PRINCIPAL FINANCIAL DATA AND INDICATORS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

| | At 31 March 2010 | At 31 December 2009 | Changes from the end of the preceding year (%) |
|--|--|--|---|
| Total assets (RMB millions) | 929,823 | 877,842 | 5.92 |
| Total equity attributable to equity shareholders of the Company (RMB millions) | 391,312 | 375,661 | 4.17 |
| Net assets per share (RMB) | 4.513 | 4.333 | 4.17 |
| Adjusted net assets per share (RMB) | 4.437 | 4.254 | 4.30 |
| | Three-month period ended 31 March 2010 | Three-month period ended 31 March 2009 | Changes over the same period of the preceding year (%) |
| Net cash generated from operating activities (RMB millions) | 27,995 | 53,117 | (47.30) |
| Profit attributable to the equity shareholders of the Company (RMB millions) | 15,785 | 11,281 | 39.93 |
| Basic earnings per share (RMB) | 0.182 | 0.130 | 39.93 |
| Diluted earnings per share (RMB) | 0.179 | 0.129 | 38.76 |
| Return on net assets (%) | 4.03 | 3.32 | 0.71 percentage points |

BUSINESS REVIEW

Exploration & Production Segment: The Company sped up 2D and 3D seismic field acquisition and exploration, strengthened its work on non-conventional oil and gas resources. Meanwhile, the Company intensified its efforts to increase the recovery rate and single well capacity, counter-acted the negative impact on crude oil production by natural disasters such as blizzard and sea ice, and kept the steady output of crude oil. The pipeline of Sichuan-to-East China Gas Project was put into safe and steady operation. In the first quarter, the output of crude oil amounted to 10.38 million tonnes, a year-on-year decrease of 0.14%, and the output of natural gas amounted to 2.794 billion cubic meters, a year-on-year growth of 40.97%.

Refining Segment: The Company kept the refining facilities running at high capacity, made more efforts to adjust the product mix. The Company increased the output of oil products and light chemical feedstock as well as high value-added products such as: asphalt, petroleum coke and LPG, etc. It also organized elaborately to put newly built and revamped, expanded facilities into operation. In the first quarter, the Company processed 49.50 million tonnes of crude oil, a year-on-year growth of 20.42%.

Marketing and Distribution Segment: The Company exploited greatly the market and promoted the quality of services. It also pushed forward non-fuel business and improved the functions of service stations, meanwhile green channels were set up to guarantee oil supply for service of drought relief. In the first quarter, the domestic sales of oil products amounted to 32.84 million tonnes, a year-on-year growth of 24.25%; the total number of service stations increased by 0.33%.

Chemicals Segment: The Company made tremendous efforts to strengthen the connection among production, sales and research, and optimize its production plan and product mix according to the market demand. The chemical facilities had operated at high capacity, and Tianjin ethylene project was put into smooth production. It strengthened its efforts to develop new products, and increase the production that are well received by the market and high value-added products. In the first quarter, the production of ethylene and synthetic resin hit 2.03 million tonnes and 2.92 million tones respectively, a year-on-year growth of 36.29% and 20.72% respectively.

Summary of Principal Operating Results for the First Nine Months

| Operational Data | Unit | Three-month period ended 31st March | | Changes (%) |
|--|---------------------------|-------------------------------------|-----------|------------------------|
| | | Year 2010 | Year 2009 | |
| Exploration and Production | | | | |
| Crude oil production | 10 thousand tonnes | 1,038.06 | 1,039.56 | (0.14) |
| Natural gas production | 100 million cubic meters | 27.94 | 19.82 | 40.97 |
| Realised crude oil price | RMB/tonne | 3,315.94 | 1,599.01 | 107.37 |
| Realised natural gas price | RMB/thousand cubic meters | 1006.53 | 961.53 | 4.68 |
| Refining (Note 1) | | | | |
| Refinery throughput | 10 thousand tonnes | 4,950.41 | 4,111.01 | 20.42 |
| Gasoline, diesel and kerosene production | 10 thousand tonnes | 2,948.84 | 2,572.26 | 14.64 |
| Of which: Gasoline | 10 thousand tonnes | 862.21 | 815.65 | 5.71 |
| Diesel | 10 thousand tonnes | 1,799.58 | 1,538.40 | 16.98 |
| Kerosene | 10 thousand tonnes | 287.05 | 218.21 | 31.55 |
| Light chemical feedstock | 10 thousand tonnes | 850.32 | 577.29 | 47.30 |
| Light yield | % | 75.75 | 74.93 | 0.82 percentage points |
| Refining yield | % | 94.80 | 93.66 | 1.14 percentage points |
| Marketing and Distribution | | | | |
| Total domestic sales of refined oil products | 10 thousand tonnes | 3,283.82 | 2,642.83 | 24.25 |
| Of which: Retail | 10 thousand tonnes | 2,018.58 | 1,736.70 | 16.23 |
| Distribution | 10 thousand tonnes | 775.94 | 505.30 | 53.56 |
| Wholesale | 10 thousand tonnes | 489.30 | 400.80 | 22.08 |
| Total number of service stations (Note2) | Stations | 29,795 | 29,698 | 0.33 |
| Of which: Company Owned and company-operated | Stations | 29,158 | 29,055 | 0.35 |
| Franchised | Stations | 637 | 643 | (0.93) |
| Throughput per station of owned and company-operated (Note3) | tonnes | 2,769 | 2,715 | 1.99 |
| Chemicals (Note 4) | | | | |
| Ethylene | 10 thousand tonnes | 202.80 | 148.80 | 36.29 |
| Synthetic resins | 10 thousand tonnes | 291.67 | 241.60 | 20.72 |
| Synthetic rubbers | 10 thousand tonnes | 24.01 | 19.83 | 21.08 |
| Monomers and polymers for synthetic fibers | 10 thousand tonnes | 213.26 | 172.26 | 23.80 |
| Synthetic fibers | 10 thousand tonnes | 32.65 | 31.49 | 3.68 |
| Urea | 10 thousand tonnes | 48.69 | 36.17 | 34.61 |

Notes 1: The data of 2009 was restated due to acquisition of Qingdao Petrochemical;

Notes 2: The service station total number in 2009 was the year-end number;

Notes 3: Throughput per service station data was an annualized average;

Notes 4: Included 100% output of BASF-YPC and Shanghai Secco.

Capital expenditure:

In the first quarter, the capital expenditure amounted to approximately RMB16.844 billion, among which RMB5.21 billion was used in exploration and production segment for Sichuan-to-East China Gas Project, Shengli, Northwest and Southwest Oil Fields as well as pipeline construction. The capital expenditure for refining segment totaled RMB2.137

billion, which was mainly used for Tahe heavy crude oil refining project, Changling refinery revamping, Beihai refinery revamping, Rizhao-Yizheng crude oil pipeline and auxiliary projects. The capital expenditure in chemical segment was RMB5.509 billion, which was mainly used for Tianjin and Zhenhai ethylene projects, etc. The capital expenditure in marketing & distribution segment was RMB3.799 billion. With such input, the Company newly developed 337 service stations in key areas including highways, major cities and newly planned regions, and further accelerated the construction of transportation & distribution network of oil products. The capital expenditure in corporate and others totalized RMB189 million.

About Sinopec Corp.

Sinopec Corp. is a Chinese company that has been listed in Hong Kong, New York, London and Shanghai. The Company is an integrated energy and chemical company with upstream, midstream and downstream operations. The principal operations of Sinopec Corp. and its subsidiaries include: exploring, developing, producing and trading crude oil and natural gas; processing crude oil into refined oil products; producing, trading, transporting, distributing and marketing refined oil products; and producing and distributing chemical products. Based on 2009 turnover, Sinopec Corp. is the largest listed company in China. The Company is one of the largest crude oil and petrochemical companies in China and Asia. It is also one of the largest gasoline, diesel and jet fuel and other major chemical products producers and distributors in China and Asia.

For additional information about Sinopec Corp., please visit the Company's website at www.sinopec.com.

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