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中国石油化工股份有限公司

CHINA PETROLEUM & CHEMICAL CORPORATION

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0386)

Clarification Announcement

Sinopec Corp. noticed that, on 6 June 2006, an article entitled "Proposed repurchase of the A shares of Sinopec Shanghai Petrochemical Company for 5.7 billion by Sinopec Corp" was published in "Oriental Morning Post".

Sinopec Corp. hereby clarifies that no terms (including pricing) or timetable has been presently fixed by Sinopec Corp. in relation to any acquisition of the shares of Sinopec Shanghai Petrochemical Company. There is no factual basis to the content of the above article and the article is substantially incorrect.

At the request of Sinopec Corp., trading of the shares of Sinopec Corp. on the Stock Exchange was suspended with effect from 10.24 am on 6 June 2006 pending the release of this announcement. An application to resume trading of the shares of Sinopec Corp. with effect from 9.30am on 7 June 2006 has been made with the Stock Exchange.

China Petroleum & Chemical Corporation ("Sinopec Corp") noticed that, on 6 June 2006, an article entitled "Proposed repurchase of the A shares of Sinopec Shanghai Petrochemical Company for 5.7 billion by Sinopec Corp" was published in "Oriental Morning Post" (東方早報). The article stated that Sinopec Corp. intended to repurchase the A shares of Sinopec Shanghai Petrochemical Company, one of its subsidiaries, at the price between RMB 7.8 to 8 per share. This article was also republished in other media, including Sina.com and pw5.net.

Sinopec Corp. hereby clarifies that there is no factual basis to the content of the above article and the article is substantially incorrect. Although, as disclosed in the prospectus of Sinopec Corp. dated 9 October, 2000, it is its long term strategy to integrate the operations and capital structure of its subsidiaries, however, no terms (including pricing) or timetable has been presently fixed by Sinopec Corp. in relation to any acquisition of the A & H shares of Sinopec Shanghai Petrochemical Company. Sinopec Corp. condemns "Oriental Morning Post" for its reporting of false information and infringement of the rights of Sinopec and reserves the rights to take further legal action against "Oriental Morning Post". Any integration proposal may or may not proceed.

Sinopec Corp. wishes to remind investors that all the important information of Sinopec Corp. and development will be formally announced in accordance with The Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited and the Hong Kong Code on Takeovers and Mergers. Investors are reminded to make sensible investments and consider the risks involved.

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**For and on behalf of the Board of Directors
China Petroleum & Chemical Corporation
Chen Ge**

Secretary to the Board of Directors

Beijing, PRC, 6 June 2006

As at the date of this announcement, the executive directors of Sinopec Corp. are Messrs. Wang Tianpu, Zhang Jianhua, Wang Zhigang, Dai Houliang; the non-executive directors are Messrs. Chen Tonghai, Zhouyuan, Fan Yifei and Yao Zhongmin; the independent non-executive directors are Messrs. Shi Wanpeng, Liu Zhongli and Li Deshui.