



Sinopec's First Acquisition of Overseas Upstream Assets

Hong Kong - March 28, 2010 - Mr. Su Shulin, Chairman of China Petroleum and Chemical Corporation ("SINOPEC" or "the Company"), announced today that, to further strengthen the Company's upstream assets and expand the scope of its business, Sinopec has entered into an agreement, via a wholly-owned subsidiary in Hong Kong, to acquire 55% of Sonangol Sinopec International Limited ("SSI") from Sinopec Overseas Oil & Gas Ltd ("SOOGL"), a wholly-owned subsidiary of China Petrochemical Corporation, for a consideration of US\$1.678 billion. A loan from SOOGL, which together with accrued interest amounts to USD 779 million, will be assumed by the acquirer, bringing the total value of the transaction to US\$2.457 billion. Endorsed by the Board of Directors, the proposed acquisition is subject to the approval of independent shareholders at the Annual General Meeting in May, 2010.

SSI owns a 50% participation interest in Angola Block 18, a world class deep-water oil asset in terms of output, with the highest reserves and production volume among projects of similar type. The deep-water area of the Angola seacoast is rich in oil and gas resources and possesses huge exploration potential, seeing fast growing oil and gas reserve discoveries in recent years. With the completion of this transaction, Sinopec Corp.'s remaining proven reserves of crude oil will be increased by 102 million barrels, up 3.6%. Its daily crude oil production will increase by 72,520 bbl, up 8.8%.

Block 18 is divided into East and West zone, with an average water depth of 1,500 meters. The East zone has been in operation since October 2007, with daily production capacity of 240 thousand barrels. The West zone is at the development phase with two rounds of seismic exploration completed to prove high reserves. Currently, three exploration wells have been tested successfully with satisfactory oil output. The development planning has been proceeding well.

By the end of November 2009, the total proved reserves and probable reserves (2P) of the economic interest shared by SSI in the East zone of Block 18 are 238 mm bbl, and the total proved reserves and probable reserves of the net economic interest reached 170 mm bbl. the contingent reserves 1C shard by SSI at the west zone of Block 18 are 38.31 million bbl and 2Ci reserves are 49.54 million bbl.

Based on 2009 profit, the EV / EBITDA multiple of this transaction is 5.8 times, and the P/E ratio is 9.7 times, both lower than the mean of multiples in comparable transactions. Oil and gas cash operating cost in the East zone of Block 18 is only US\$7 dollars per barrel. On the consolidated basis, this transaction will help Sinopec Corp. reduce its oil and gas cash operating costs. In addition, it is estimated that the company's pro forma earnings per share in 2009 will be increased marginally after the completion of the transaction.

This acquisition, of one of it's Parent's highest quality assets, marks the entry of Sinopec into the overseas upstream E&P business, and forms the basis for the Company to acquire future new oil and gas assets.

About Sinopec Corp.

Sinopec Corp. is the first 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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