



Sinopec Corp.

Q1 2016 Results Announcement

April 29, 2016



Disclaimer

Financial data of the first quarter contained in the presentation and presentation materials are unaudited.

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Market Environment in Q1 2016

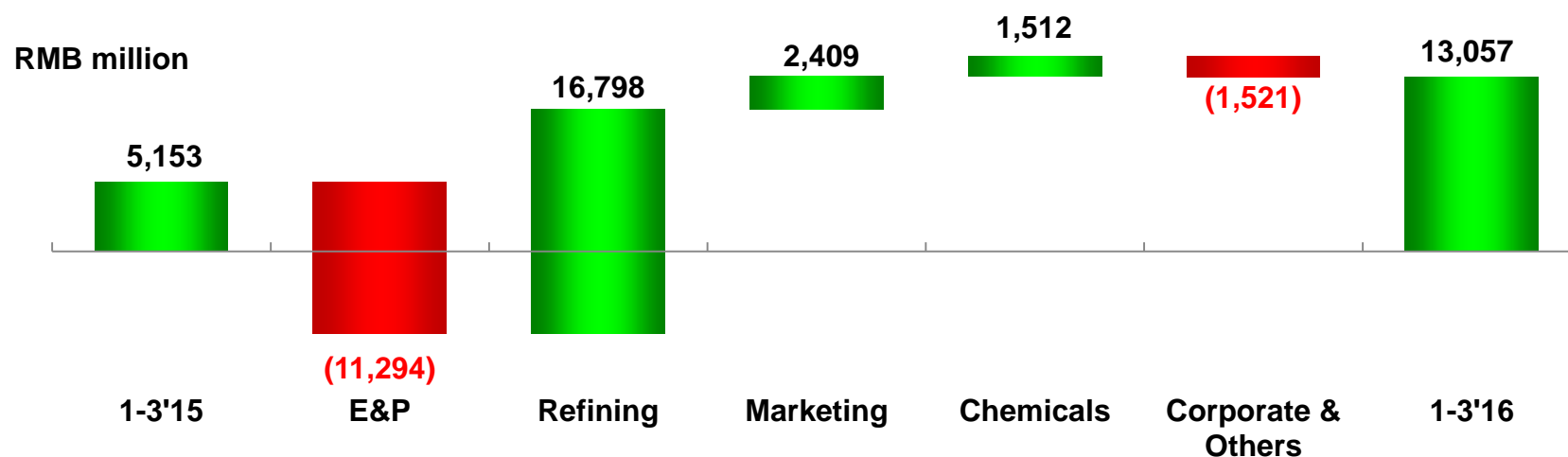
- China's GDP grew by 6.7%
- International crude oil price bottomed but still at low level
- Domestic refined oil products consumption grew by 4.0% YoY
- Domestic consumption of ethylene equivalent kept flat YoY



Resilience from Integrated Business Model

RMB million	1-3'15	1-3'16	YoY Change%
Revenue	478,241	413,790	(13.5)
Operating Profit	5,153	13,057	153.4
Profit for the Reporting Period	2,600	9,561	267.7
Profit Attributable to Equity Shareholders of the Company	2,172	6,663	206.8
EPS(RMB)	0.018	0.055	205.6

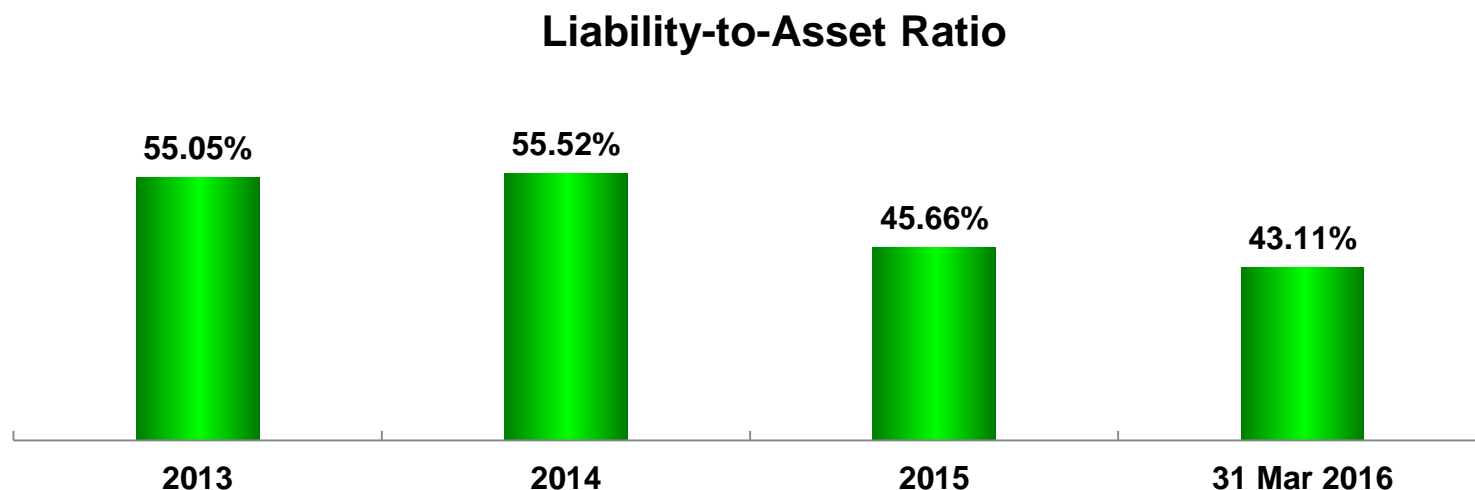
YoY Change in Operating Profit





Abundant Cash Flow & Declining Gearing Ratio

RMB million	1-3'15	1-3'16
Net Cash Generated from Operating Activities	6,682	34,348
Net Cash Used in Investing Activities	(36,655)	(24,843)
Net Cash Generated from/(Used in) Financing Activities	92,996	(14,087)
Cash and Cash Equivalents	72,107	63,154





Upstream – Flexible Operation amid Low Oil Price

■ Optimised production structure and increased natural gas yield

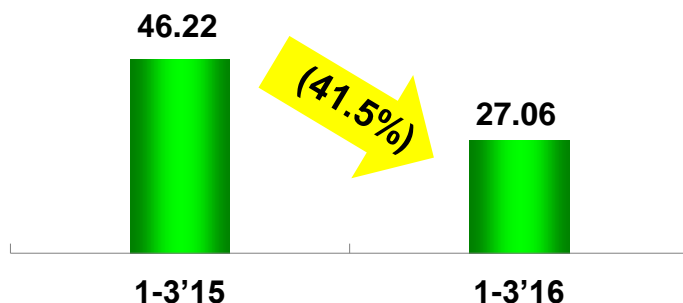
	1-3'15	1-3'16	YoY Change%
Oil and Gas Production(mmboe)	117.82	114.68	(2.7)
Crude Oil Production(mmboe)	87.55	79.42	(9.3)
China	74.01	66.35	(10.3)
Overseas	13.54	13.07	(3.5)
Natural Gas Production(bcf)	181.06	211.36	16.7

Note: 1 ton=7.10 bbls for crude oil production in China, 1 ton=7.21 bbls for overseas crude oil production, 1 cubic meter=35.31 cubic feet for natural gas production.

Upstream – Cutting Lifting Cost

Realised Price of Crude Oil

USD/bbl



RMB million

1-3'15

1-3'16

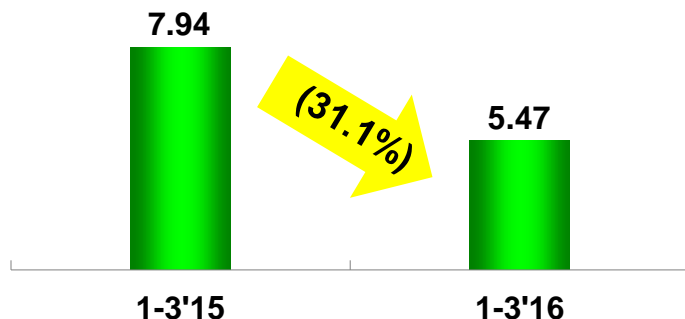
Operating Profit

(1,232)

(12,526)

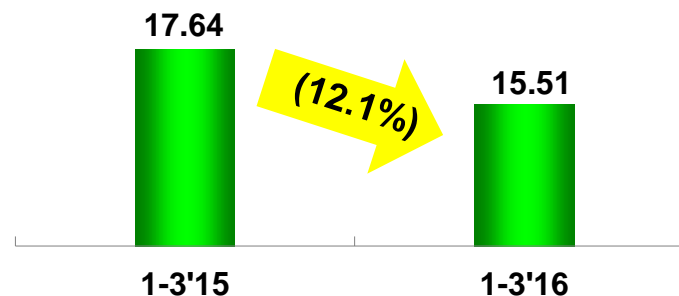
Realised Price of Natural Gas

USD/'000 cubic feet



Lifting Cost

USD/bbl





Refining – Optimising Product Mix

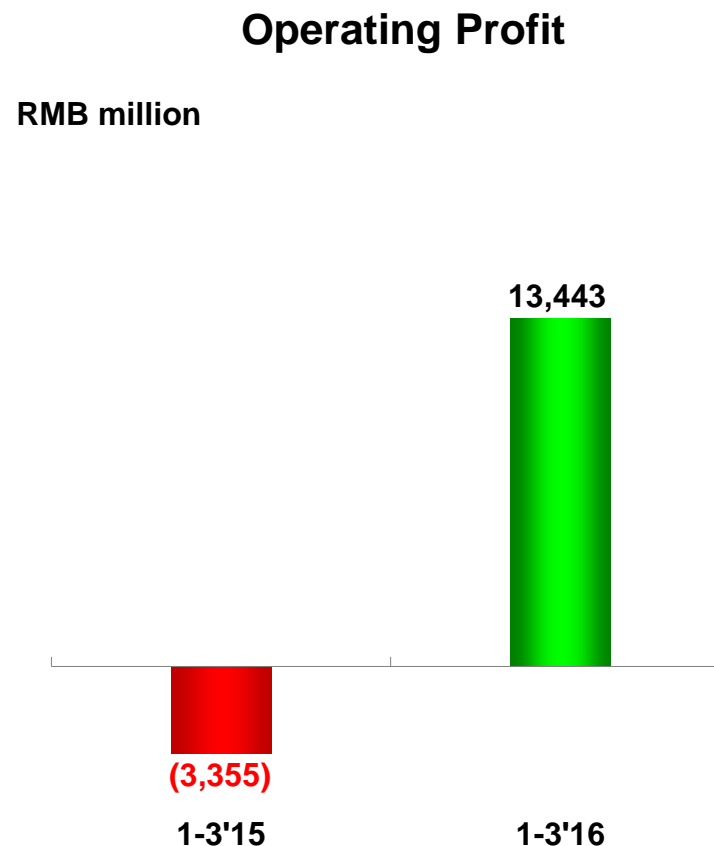
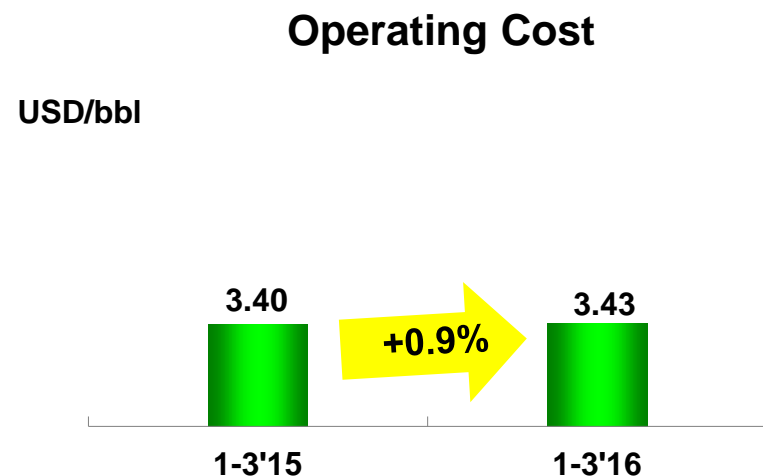
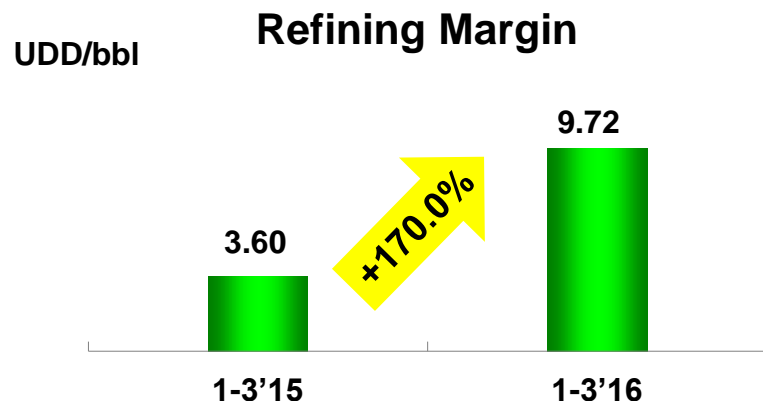
- Increased gasoline and jet fuel yield
- Improved refining efficiency

	1-3'15	1-3'16	YoY Change%
Refining Throughput(mm tonnes)	58.58	57.18	(2.4)
Gasoline Production(mm tonnes)	13.29	13.92	4.7
Diesel Production(mm tonnes)	17.74	16.32	(8.0)
Kerosene Production(mm tonnes)	5.82	6.08	4.5
Light Chemical Feedstock Production(mm tonnes)	9.43	9.74	3.3
Light Yield(%)	76.68	77.05	37bps
Refining Yield(%)	94.69	94.93	24bps

Note: Refining Throughput is calculated based on 1 tonne = 7.35 bbls;
100% production of JVs included.



Refining – Significantly Improved Refining Margin





Marketing – Expanding Business Scale

■ Further increased per station pump volume

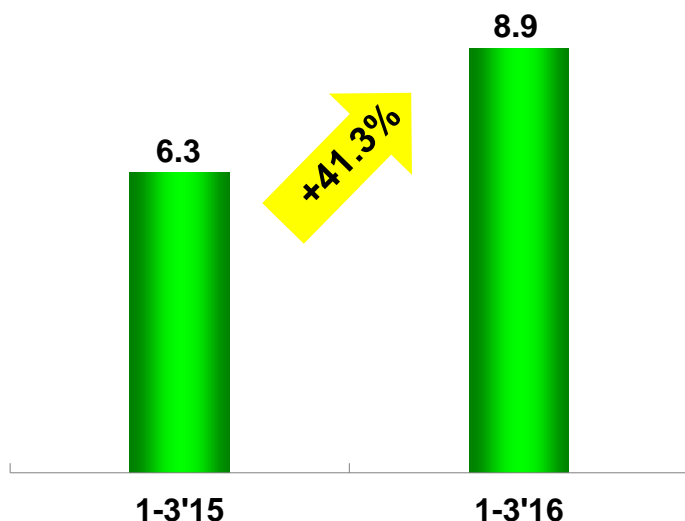
	1-3'15	1-3'16	YoY Change%
Total Sales Volume of Refined Oil Products(mm tonnes)	46.49	47.21	1.5
Domestic Sales Volume of Refined Oil Products(mm tonnes)	42.05	43.29	2.9
Retail(mm tonnes)	28.90	29.66	2.6
Wholesale and Distribution(mm tonnes)	13.15	13.63	3.7
Annualised Average Throughput of Company-operated Service Stations(tonnes/station)	3,786	3,879	2.5
Number of Domestic Sinopec Brand Service Stations	30,539	30,636	0.3
Number of Company-operated Service Stations	30,526	30,623	0.3



Marketing – Operating Profit Increased Sharply

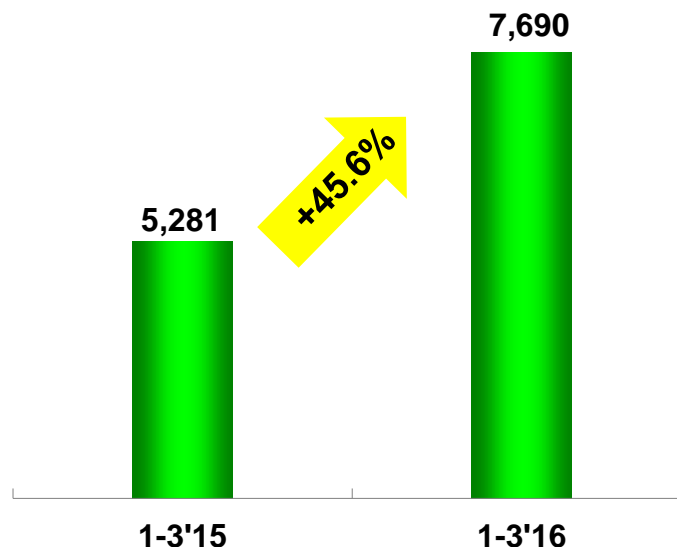
Sustained Rapid Growth of Sales from Non-fuel Business

RMB billion



Operating Profit

RMB million





Chemicals – Emphasising Structural Adjustment

- Optimised feedstock and product mix, increased high-value-added products
- Further intensified integration among R&D, marketing and production

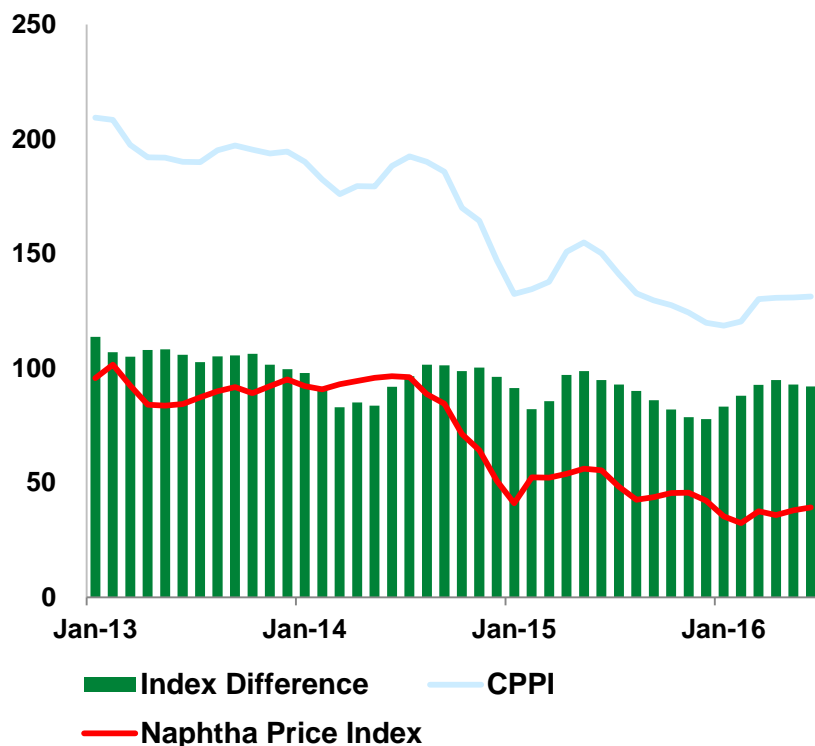
'000 tonnes	1-3'15	1-3'16	YoY Change%
Ethylene Production	2,768	2,823	2.0
Synthetic Resin Production	3,786	3,840	1.4
Synthetic Rubber Production	213	205	(3.8)
Production of Monomers & Polymers for Synthetic Fibres	2,128	2,328	9.4
Synthetic Fibres Production	311	311	0

Note: 100% production of JVs included.



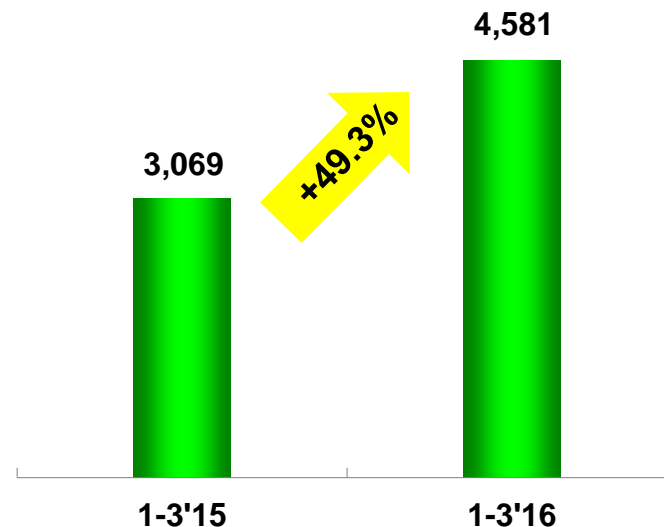
Chemicals – Significant Increase in Profit

Chemical Products Price Index (CPPI)



Operating Profit

RMB million



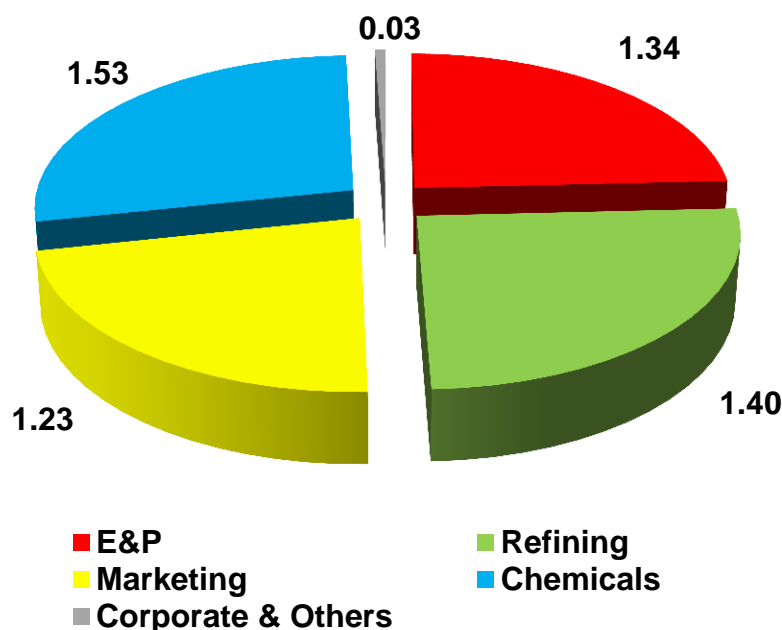
Source: Sinopec Corp.



Capital Expenditure

- Capital expenditure in Q1 was RMB 5.53 billion

RMB billion



- E&P: Mainly for Fuling Shale Gas project, LNG project and construction of natural gas pipelines
- Refining: Mainly for quality upgrading projects and refinery revamping
- Marketing: Mainly for revamping service stations and building refined oil pipelines, oil depots and storage facilities
- Chemicals: Mainly for coal chemical projects, comprehensive utilisation of resources project and auxiliary facilities construction project



For Further Information



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