



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)

Announcement on Resolutions Passed at the Eighteenth Meeting of the Third Session of the Board of Directors

(Overseas Regulatory Announcement)

China Petroleum & Chemical Corporation and all members of its board of directors warrant the authenticity, accuracy and completeness of the information contained in this announcement, and jointly and severally accept full responsibility for any misrepresentation, misleading statements or material omissions contained in this announcement.

The notice of convening the 18th meeting of the Third Session (the "**Meeting**") of the Board of Directors of China Petroleum & Chemical Corporation ("**Sinopec Corp.**") was issued in writing on 18 December 2007. The Meeting was convened by way of written resolutions on 28 December 2007. Eleven directors (including three independent directors) attended the Meeting. The convening of the meeting complies with the relevant provision of the PRC laws and regulations and the Articles of Association of Sinopec Corp. The directors who signed the written resolutions (including the non-executive independent directors) voted and approved the following resolutions:

1. The *Proposal Concerning the Acquisition of the Five Oil Refinery Enterprises and the Operation Rights of 63 Gas Stations from Sinopec Group Company* (the "**Acquisition**") was approved (Please refer to the announcement on connected transaction published on the same date for details).
 - (a) Sinopec Corp. will acquire from China Petrochemical Corporation ("**Sinopec Group Company**") its (i) 100% state-owned equity interest in Sinopec Hangzhou Oil Refinery Plant; (ii) 59.47% state-owned equity in Yangzhou Petrochemical Plant; and (iii) 75% interest under the joint venture contract of Zhangjiang Dongxing Petrochemical Company Limited. Mr. Wang Tianpu, director and president of Sinopec Corp. was authorised to execute the agreements in relation to the Acquisition.
 - (b) The wholly owned subsidiary of Sinopec Corp., Sinopec Yangzi Petrochemical Company Limited will acquire from Sinopec Group Company its (i) 100% state-owned equity interest in Jiangsu Taizhou Petrochemical

Plant; (ii) 100% state-owned shareholding in Sinopec Qingjiang Petrochemical Company Limited.

(c) Sinopec Corp. will acquire from Sinopec Sales & Industrial Company, the wholly owned subsidiary of Sinopec Group Company, its legal rights for operating 63 gas stations and service centers.

2. The *Proposal Concerning the Amendments of the Internal Control Manual* was approved;
3. The *Working Rules of Independent Directors of Sinopec Corp.* was approved;
4. The *Rectification Report on Corporate Governance of Sinopec Corp.* was approved.

In relation to the Acquisition, as two of the directors of Sinopec Corp., Mr. Su Shulin and Mr. Zhouyuan hold certain positions in Sinopec Group Company, they abstained from voting on the Acquisition at the Meeting. The independent directors of Sinopec Corp. expressed their views on the Acquisition independently. Except for the two directors abstained from voting, all directors of the Company (including the independent directors) are of the view that the Acquisition was conducted on normal commercial terms in the ordinary course of business of Sinopec Corp., and the terms of the agreements in relation to the Acquisition are fair and reasonable to Sinopec Corp. and its shareholders as a whole. No circumstances detrimental to the interests of Sinopec Corp. or its independent shareholders are found.

By Order of the Board
China Petroleum & Chemical Corporation
Chen Ge
Secretary to the Board of Directors

Beijing, the PRC, 28 December 2007

As at the date of this Announcement, the directors of Sinopec Corp are Messrs. Su Shulin, Zhou Yuan*, Wang Tianpu#, Zhang Jianhua#, Wang Zhigang#, Dai Houliang#, Fan Yifei*, Yao Zhongmin*, Shi Wanpeng+, Liu Zhongli+ and Li Deshui+.*

Executive Directors

* *Non-executive Directors*

+ *Independent Non-executive Directors*