



China Aviation Oil (Singapore) Corporation Ltd
Registration No. 199303293Z

SPEECH BY SUN LI, PRESIDENT OF CHINA NATIONAL AVIATION FUEL HOLDING COMPANY ON MONDAY 30 APRIL 2007 AT CHINA AVIATION OIL (SINGAPORE) CORPORATION LIMITED'S PRESS CONFERENCE

Let me first thank all the shareholders for their trust in me by appointing me as a Director of the Company, and to the Board for appointing me as Deputy Chairman. CAO's successful restructuring as well as rehabilitation post-restructuring would not have been possible without the understanding and support of shareholders, and the capable leadership of the current Board.

This is my first visit to CAO as the President of China National Aviation Fuel Holding Company ("CNAF"). I am happy to have attended the Annual General Meeting, and to meet and interact with many minority shareholders face to face.

Since CAO completed its restructuring in March 2006, under the leadership of the Board chaired by Mr Lim Jit Poh and the Senior Officers Meeting, together with the unremitting efforts of the Special Task Force led by Mdm Gu Yanfei, CAO has been rehabilitated and achieved good results, on behalf of CNAF, I would like to thank the Board and Management for their efforts and congratulate CAO on the achievements.

CNAF is largest provider of logistic services for aviation transportation industry in China. The Group has achieved rapid growth in 2006. CNAF's oil products sales recorded another historical high of 11.4 million metric tones, most of which is jet fuel. This amounted to a total revenue of RMB 57.1 billion. Amongst the 159 Chinese state-owned enterprises supervised by State-owned Assets Supervision and Administration Commission ("SASAC"), CNAF was ranked 38 in terms of revenue.

CNAF further specified its growth strategies last year, which comprise diversification of resources, markets and internationalization. CAO will play an important role in the Group's overall strategic goals. We will continue to support CAO to grow. We have good reasons to believe that under the support and assistance of the parent company and strategic investor, CAO will achieve better and faster growth.

China has become the second largest global civil aviation transportation market. Its jet fuel consumption grows by about 15% annually. The rapid growth of the Chinese economy and civil aviation transportation industry, as well as increasing market liberalization, bring both opportunities and challenges for CAO. CAO has succeeded in rehabilitating the company post-restructuring. However, it would need to build competitive advantages, enhance competitiveness and improve risk management, so as to proactively seize opportunities and meet challenges proactively, in order to achieve better growth.

As a newly appointed Director and Deputy Chairman, I am aware of my heavy responsibilities. I shall work hard and, together with the Chairman and fellow Directors, strive to achieve steady and sustainable growth for CAO, so as to repay shareholders and the society at large.