China Aviation Oil (Singapore) Corporation Ltd
Incorporated in the Republic of Singapore
Registration No.: 199303293Z

MEDIA RELEASE

CAO records net profit of US$168.3 million in 2007
Proposes total dividend payout of S$0.07 per share

SINGAPORE, 28 February 2008 – China Aviation Oil (Singapore) Corporation Ltd ("**CAO**") today announced its unaudited results for the full-year ended 31 December 2007.

The Group recorded a net profit attributable to shareholders ("**net profit**") of US$168.3 million for full-year 2007, which included a net divestment gain of US$134.8 million from the sale of CAO's 5% stake in Compania Logistica de Hidrocarburos, S.A. ("**CLH**"). Net profit for 2006 was US$228.2 million, which included an exceptional gain of US$192.0 million from the waiver of debts under the Restructuring Plan in 2006.

Excluding exceptional gains in both 2006 and 2007, net profit for 2007 was US$33.5 million, compared to US$36.2 million in 2006, representing a decline of about 7%. This was mainly due to a decline in gross profit in line with lower jet fuel supply volumes and a non-recurrence of dividends from CLH following the disposal of CLH shares.

In view of the significant gains derived from the disposal of CLH shares, the Board of Directors is pleased to propose a one-off special dividend of S$0.05 per share. The Board has also proposed a first and final ordinary dividend of S$0.02 per share.

Mr Lim Jit Poh, Chairman of CAO, said, "The Board has decided to propose a special dividend of S$0.05 per share from the sale proceeds of the CLH stake, after considering CAO's cash flow requirements in the near term. We have also decided to propose a first and final ordinary dividend of S$0.02 per share, the same as 2006. "

In 2007, CAO procured and supplied 4.2 million Metric Tonnes ("**MT**") of jet fuel, which was a decrease of about 11% as compared to 2006 where 4.7 million MT of jet fuel was procured and supplied.

Mr Zhang Zhenqi, Executive Director and General Manager of CAO, said, "The decline in total volume of jet fuel procured and supplied for the full year was due to a decrease in demand for jet fuel imports in China corresponding to an increase in China's domestic production and supply of jet fuel.

"Looking ahead, air traffic in China is expected to increase significantly this year due to the upcoming Beijing Olympics, which would imply a greater demand for jet fuel in China. We foresee it could potentially translate into import volume growth for CAO. However, China's jet fuel import demand is also dependent on the level of jet fuel produced domestically by Chinese refineries," said Mr Zhang.

More Information:

US$ million	**FY 2007**	**FY 2006**	**Change**
Gross profit	12.7	14.1	-10%
Other operating income *	13.0	19.9	-35%
Total Expenses	15.6	16.8	-7%
Share of results of associate	25.5	22.4	+14%
Profit before tax *	35.5	39.6	-10%
Net Profit *	33.5	36.2	-7%
Net tangible assets per share (US cents)	37.16	14.62	+154%
Accumulated earnings/(losses)	38.7	(120.0)	N.M.

** Excluding gain from sale of CLH shares in 2007 and debt waiver in 2006*

More information on CAO's unaudited results for the period ended 31 December 2007 can be accessed from www.caosco.com.

About CAO

Listed on the mainboard of the Singapore Exchange Securities Trading Limited, CAO is the key supplier of imported jet fuel to the Chinese civil aviation industry. CAO also owns investments in strategic oil-related businesses, which includes Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd and China Aviation Oil Xinyuan Petrochemicals Co. Ltd.

Besides trading in related oil products, CAO will also continue to seek investment opportunities in assets that are synergetic to its core businesses.

— End —

For further clarification, please contact:
Ms Loh Woon Yen
Investor Relations, CAO
Office: (65) 6330-1209
Mobile: (65) 8118-5737
Email: woonyen@caosco.com