



China Aviation Oil (Singapore) Corporation Ltd
中國航油（新加坡）股份有限公司

China Aviation Oil (SINGAPORE) Corporation Ltd (CAO) Announces Offer To Acquire Stake In Compania Logistia De Hidrocarburos, S.A

30/04/02

Further to CAO's announcement on 26 April 2002, the Management of CAO is pleased to announce further details of the irrevocable offer to purchase 5% of the issued and paid up capital of Compania Logistica de Hidrocarburos, S.A. ("CLH") made to it by the Vendors (as hereinafter defined).

1. INTRODUCTION

On 24 April 2002, CAO received an irrevocable offer to purchase 5% of the issued and paid up capital of CLH (the "Proposed Acquisition"). The irrevocable offer follows several negotiations between the Company and the Vendors.

2. PURCHASE CONSIDERATION OF THE PROPOSED ACQUISITION

The Vendors have proposed that the purchase consideration for the Proposed Acquisition shall be approximately Euro 59.9 million (S\$97.1m) (the "Purchase Consideration"). The Purchase Consideration is proposed to be satisfied in cash and is subject to further adjustments including volume targets to be achieved by CLH.

3. CONDITIONS FOR THE PROPOSED ACQUISITION

CAO will evaluate will proceed to the terms and conditions of the Proposed Acquisition, and the conditions shall include, *inter alia* :

? the execution of definitive documents relating to the Proposed Acquisition by CAO;

? CAO being reasonably satisfied that the results of its legal and financial due diligence review (such review is scheduled to be completed no later than September 2002) on CLH.

? the approval of the shareholders of CAO for the Proposed Acquisition, if required and

? the receipt of all approvals and consents as are necessary or required by CAO and CLH for or in respect of the Proposed Acquisition.

4. FURTHER ANNOUNCEMENTS

Further announcements will be made upon signing the Sales & Purchase agreement.

Mr Chen Jiulin
Managing Director
China Aviation Oil (Singapore) Corporation Ltd

About CAO:

CAO was incorporated in Singapore in 1993, and listed on the Singapore Exchange (SGX) in December 2001. Today, CAO supplies nearly 100% imported Jet Fuel to China civil aviation industry, which amounted to about 1.65 million Metric Tons during 2001. In addition to jet fuel procurement, CAO also trades petroleum products including jet fuel, gas oil, fuel oil, crude oil, plastics and oil derivatives. These trading operations are primarily located in Singapore.

About CLH:

We have been informed that CLH is a Spanish oil logistics and facilities company. Its principle business is the storage, transport and distribution of oil products. These products include gasoline, gas oil, jet fuel, fuel in the ground, aviation and maritime fuels. CLH is the leading oil carrier in Spain and owns the largest network of oil pipelines and storage facilities in the country. As at the end of 2000, CLH had over 83% market share in gasoline and gas oil distribution and 100% market share in jet fuel distribution.