

Media Monitoring

Client: **Chemoil**
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Headline: **Chemoil posts 2Q net profit of \$4.3m**

Mainboard-listed Chemoil (SGX-ST: CHEL.SI), the supplier of marine fuel, today announced a net profit attributable to equity holders of US\$3.2 million (\$4.3 million) for the second quarter of 2010 (2Q2010).

The group's gross contribution per metric ton (GCMT) improved to US\$5 per metric ton for 2Q2010 from US\$1.74 per metric ton in 1Q2010.

Chemoil's sales volumes increased by 8% to 4 million metric tons for 2Q2010, which translates into an increase of 4% to 7.7 million metric tons for 1H2010. Retail volume registered an increase of 5% to 2.3 million metric tons for 2Q2010 and by 11% to 4.9 million metric tons for 1H2010.

Chemoil's Chairman and CEO Mike Bandy says: "While most of our market segments have generally experienced improved performance this quarter, we are still facing pressures on our wholesale-retail margin spreads which continue to remain at reduced levels in several strategic locations. Despite the difficult economic conditions, there are signs of gradual improvement in certain ports on our footprint. Our retail marine fuel sales improved in Asia and select ports in the Americas, and we also recorded a rise in cargo and ex-wharf sales volumes leading to an improved GCMT of US\$5 per MT. Our management is continuously seeking opportunities to strengthen the profitable segments of the business and optimize under-performing operations through efficiency improvements in order to deliver sustained profitability."