

Press Release

For immediate release

CHEMOIL POSTS BEST QUARTERLY RESULTS SINCE IPO FOR SECOND QUARTER 2008

Highlights

- 2nd quarter net profit rises to US\$22.0 million
- 2nd quarter GCMT doubles to US\$10.52 per MT vs 2nd quarter last year
- 1st half net profit increased to US\$ 24.3 million
- Volume growth of 19% for 1st half 2008

	Jan – Jun 2008	Jan – Jun 2007	% Increase/ Decrease	Apr – Jun 2008	Apr – Jun 2007	% Increase/ Decrease
Revenue - US\$ million	4,673	2,313	102	2,540	1,298	96
Profit after tax – US\$ million	24.3	18.5	32	22.0	0.6	n.m.
Volumes - MTs million	8.7	7.3	19	4.3	3.8	15
Gross contribution per MT - US\$	6.42	7.39	(13)	10.52	4.98	112

Singapore, August 7 2008 – SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI) today announced its financial results for the 2nd quarter of the 2008 financial year (2Q2008). The company generated revenue growth of 96 percent to US\$2.5 billion from US\$1.3 billion in 2Q2007. This was driven by an increase in energy prices and sales volume growth by 15% compared to last year.

For 2Q2008, profit after tax was US\$22.0 million vs US\$0.6 million last year. Profit after tax for the 1st half 2008 likewise increased by 32% to US\$24.3 million. Healthy margins from strong demand within the current bunker market, combined with operational efficiencies realized through Chemoil's integrated supply chain, contributed to the earnings increase. GCMT also rose to US\$10.52 for 2Q2008 compared with US\$4.98 in 2Q2007 and was achieved partly because of the adjustments made by the company to their hedging positions in light of the volatile oil markets.

Mr Clyde Michael Bandy, Chemoil's Chairman and CEO said: "Chemoil's position as a globally integrated physical marine fuel supplier has enabled us to continually drive sales volumes, increase margins and realize competitive advantages in today's bunker fuel market. The investments we made in physical assets continue to allow us to increase sales volume and strengthen our service quality. Our Helios Terminal in Singapore has been fully operational throughout 2Q2008 and we are already beginning to see how this facility has boosted our competitiveness in Singapore, the world's largest bunker market. Likewise, our recently launched service in another key bunker market, Fujairah, showed good performance as the deployment of three double-hulled barges enabled Chemoil to grow market share and optimize efficiencies. Our delivery system operated efficiently during this quarter without the disruptions that were experienced in 2Q2007."

On the company's improved GCMT, Chemoil's Chief Financial Officer, Mr Jerome Lorenzo explained: "We benefited from our diversified global sourcing that allowed us to access reliable supplies of fuel around the world. This was coupled with strong demand from our customers who were confident about our service reliability. On the risk management aspect, recent changes to our hedging strategy of focusing on hedge instruments that had greater correlation with our physical inventory reduced our basis risk and enabled us to preserve the margins that we made on our physical supplies."

Mr Lorenzo continued: "As oil prices reached unprecedented levels, we were sufficiently supported by our banks which enabled us to service our customers' needs. The current markets present opportunities for large suppliers like Chemoil to capture further market share."

Mr Bandy concluded: "We benefited from our global sourcing capabilities and integrated supply network which allowed Chemoil to drive sales growth in our key markets and provide the flexibility to leverage supply opportunities. Going forward, as our customers continue to face greater pressure to realize efficiencies and meet new fuel regulations, Chemoil will continue to capitalize on our global infrastructure which ensures high service standards and reliability. As we continue to operate amidst a volatile climate, Chemoil's management team continues to monitor market fluctuations closely to ensure that price risks are minimized wherever possible."

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About Chemoil

As one of the marine fuel industry's leading physical suppliers, Chemoil delivers energy through controlling all key stages of the marine fuel supply chain, providing exceptional value to its customers and maximising profitability by converting expenses to assets - acquiring, developing and controlling physical infrastructure within the supply chain. It has integrated operations in Los Angeles, New York, Houston, Singapore, Panama, United Arab Emirates and the ARA region (Antwerp, Rotterdam and Amsterdam). Established in 1981, Chemoil continually challenges industry practices and provides leadership through its progressive and innovative approach to delivering energy. With the largest share of the marine fuels market in Los Angeles and New York, Chemoil is committed to finding innovative means to delivering energy, and has been at the forefront of supplying cleaner fuels to meet customer demands in light of changing legislation to protect the environment. Chemoil was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on December 14, 2006. In 2007 the company delivered over 14.6 million tons of fuel. More information on Chemoil is available at www.chemoil.com

Forward Looking Statements

This press release may contain forward looking statements relating to Chemoil's performance that are based on management's current expectations, estimates and projections about the oil, chemicals and other energy-related industries. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties, assumptions and other factors, some of which are beyond Chemoil's control and are difficult to predict. You are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date of this press release. Unless legally required, Chemoil undertakes no obligation to update publicly any forward looking statements, whether as a result of new information, future events or otherwise.

Representative examples of other factors that may impact the forward looking statements include (without limitation) general industry, international economic and political conditions, crude oil prices, refining margins, competition from other companies, the competitiveness of alternate energy sources or product substitutes, shifts in customer demands, customers and partners, changes in operating expenses, including all other unpredictable or unknown factors not discussed in this press release, which could also have material adverse effects on forward looking statements contained in this release as well as other statements made by Chemoil.

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Footnote

The initial public offering of the Company's shares was sponsored by J.P. Morgan (S.E.A.) Limited and UBS AG, acting through its business group, UBS Investment Bank.