

## Press Release

For Immediate Release

### CHEMOIL CONTINUES TREND OF PROFITABILITY

- Profit attributable to equity holders of US\$21.1 million in 1H2009
- Retail volumes up 11% in 1H2009
- Improved GCMT up 58% to US\$10.16 per metric ton in 1H2009

	Jan - Jun 2009	Jan - Jun 2008	% Increase / (Decrease)	Apr - Jun 2009	Apr - Jun 2008	% Increase / (Decrease)
Profit attributable to equity holders - US\$ million	21.1	24.3	(13.2)	12.2	22.0	(44.6)
Gross contribution per MT – US\$	10.16	6.42	58.3	11.61	10.52	10.4
Volumes – MTs million	7.43	8.73	(14.9)	3.68	4.33	(15.0)
Retail Volumes – MTs millions	4.40	3.97	10.8	2.23	2.10	6.2
Revenue – US\$ million	2,275.3	4,673.5	(51.3)	1,293.8	2,539.6	(49.1)

**Singapore, August 6, 2009** – SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI) announced today that its profit attributable to equity holders for the second quarter of the 2009 financial year (FY2009) was US\$12.2 million leading to 1<sup>st</sup> half results of US\$21.1 million.

Profit for 2Q2009 increased 38.6% from the US\$8.8 million recorded in 1Q2009. Chemoil's retail volumes grew by 11% despite an overall reduction of sales volume by 15%.

Gross contribution per metric ton (GCMT), a key performance indicator, was US\$11.61 in 2Q2009, which represents a 10.4% increase over 2Q2008 GCMT of US\$10.52 and a 32.8% increase over 1Q2009 GCMT of US\$8.74. Chemoil's continued ability to focus on profitable market segments in challenging economic conditions has helped the company to maintain its profitability.

Mr Mike Bandy, Chemoil's Chairman and Chief Executive Officer, said: "The economic downturn continued to affect the global demand for fuel oil. However, Chemoil has expanded its retail marine fuel business, where volumes increased from 2Q2008 due to strong sales in Europe and Asia. In addition, our entry into new markets, such as India and the Middle East, is on track and performing as expected."

Mr Jerome Lorenzo, Chemoil's Chief Financial Officer, said: "Our financial position remains solid, with a healthy balance sheet, working capital of US\$160 million and shareholders' equity of US\$305 million at the end of June 2009. We continue to have good liquidity and credit availability for our working capital needs. Our financing cost has fallen by 41% compared to 2Q2008 as a result of lower debt levels, and we have improved the quality of earnings as highlighted by our improved GCMT levels."

Summing up the company's performance, Mr Mike Bandy said: "The second quarter reflected Chemoil's ability to sustain positive earnings, as customers turned to reliable physical suppliers during this period of market slowdown. The strength of our global network, combined with our ability to adapt and remain flexible in our sales mix and growth strategy, has enabled us to remain competitive in the first half of this very challenging year. Credit controls and customer relationships have also played a significant role in our success."

**END**

#### **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, India 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 2008, the company delivered over 16.5 million tons of fuel. More information on Chemoil is available at [www.chemoil.com](http://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.

**Global Energy / Shipping Media Relations**

Blue Communications

Andrew Nicholls

Tel: +65 6327 1284

M: +65 9088 4786

Email: [andrew.nicholls@blue-comms.com](mailto:andrew.nicholls@blue-comms.com)

**Global Financial / Business Media Relations**

Huntington Communications

Jolynn Yeo

Tel: +65 6339 2883

M: +65 9728 4008

Email: [jolynn.yeo@huntington.com.sg](mailto:jolynn.yeo@huntington.com.sg)