

Press Release

For immediate release

CHEMOIL POSTS STRONG RESULTS FOR 2008 AND 4Q2008

Highlights

FY2008

- Net profit increased by 55% to US\$47.1 million
- Sales volumes up by 12.6%
- GCMT rose 2.2% to US\$8.05 per MT
- Board recommends dividend of 0.5 US cents per share

4Q2008

- Sales volumes increased by 22.6%
- Revenue reduced by 13% to US\$1.27 billion
- Significant improvement in balance sheet ratios

	Jan – Dec 2008	Jan – Dec 2007	% Increase/ (Decrease)	Oct –Dec 2008	Oct –Dec 2007	% Increase/ (Decrease)
Revenue – US\$ billion	8.66	5.36	61.5	1.27	1.45	(12.6)
Volumes – MTs million	16.5	14.6	12.6	3.8	3.1	22.6
Gross contribution per MT – US\$	8.05	7.88	2.2	8.6	15.15	(43.2)
Profit after tax and minority interests – US\$ million	47.1	30.3	55.2	12.3	14.5	(15.3)

Singapore, February 26 2009 – SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI) announced today that its profit after tax for the year ending 31 December 2008 (FY 2008) increased 55% to US\$ 47.1 million from US\$30.3 million in FY2007. Annual revenue rose by 62% to US\$8.7 billion, which was supported by a rise in sales volume of 13% to 16.5 million metric tons compared with 14.6 million metric tons in 2007. Gross contribution per metric ton (GCMT), the company's key earnings measure, also improved for FY2008 to US\$8.05 per metric ton, which is largely attributed to the company's hedging activities that protected the value of inventories during an extremely volatile year.

Total volumes for 2008 were boosted due to new retail operations in the Middle East and Singapore, as well as greater overall cargo sales. For 4th quarter 2008 (4Q 2008), volumes increased by 23% to 3.8 million metric tons from 3.1 million metric tons in 2007.

Sharp decreases in the price of energy during 4Q2008 reduced average sales values by 29% to US\$327 per metric ton versus US\$462 in 4Q2007. However, average purchase costs also declined by 29% and the effective use of hedging instruments compensated for price differentials to shield margins.

Chemoil's Chairman and CEO, Mr. Clyde Michael Bandy said: "During highly turbulent and volatile market conditions, the strength of Chemoil's results for 2008 highlights the performance of our business model in both rising and falling oil markets. Chemoil has worked to combine stringent financial management, robust operational delivery and dynamic marketing, along with a carefully-planned global expansion. This is underpinned by the flexibility of Chemoil's sales mix that enables us to adjust our sales towards segments that can generate better margins. Our physical operations in Singapore made a key contribution to increased sales, and our strategy of investing in infrastructure that strengthens our market position and drives growth has been re-affirmed. The commencement of supply services in the Middle East also contributed to an improvement in 2008 sales volumes."

Mr. Jerome Lorenzo, Chemoil's Chief Financial Officer stated: "During 2008 Chemoil continued to focus on and improve its risk management capabilities. This included the implementation of hedging programs that successfully contributed to the Group's profitability in what was one of the most volatile oil markets in memory. Ongoing risk mitigation will prove to be vital as we guide Chemoil through the global economic downturn. We will continue to reinforce the strength of our credit management operations in order to avert exposure to customer-related risks and we believe that Chemoil's current financing capabilities are more than ample for projected oil rates and demand."

Chemoil's balance sheet likewise showed strong improvements, particularly with its leverage ratio reducing significantly to 1.08 versus 2.46 last year. Shareholders' equity also increased 15% to US\$291 million as of 31 December 2008, including US\$77.5 million in cash and bank balances.

Mr. Bandy concluded: "During the 4th quarter 2008, as world economic activity reduced drastically due to the financial crisis, Chemoil managed to increase overall volumes, which reflects the strength of our customer base consisting of diversified blue chip shipping companies. As Chemoil moves forward into 2009, we remain prepared for the challenge of navigating the business through a tough economic

climate. The slow-down in global trade has impacted the shipping industry and we can realistically envisage potential global demand reduction in the short term. However, our flexible sales mix and our diversified regional operations will provide an optimal balance between harnessing opportunities in new markets while continuing to generate satisfactory results in existing locations. We remain positive in our outlook to deliver continued long term growth.”

Based on the Company’s positive performance, the Board recommends a final dividend of 0.5 US cents per share in respect of 2008 for approval at the forthcoming Annual General Meeting.

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

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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