

CHINA PETROLEUM & CHEMICAL CORP  
Form 6-K  
October 31, 2013

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 6-K

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 of  
The Securities Exchange Act of 1934

For the month of October, 2013

CHINA PETROLEUM & CHEMICAL CORPORATION

22 Chaoyangmen North Street,  
Chaoyang District, Beijing, 100728  
People's Republic of China  
Tel: (8610) 59960114

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F            Form 40-F     

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes                      No                      X

(If "Yes" is marked, indicate below the file number assigned to registrant in connection with Rule 12g3-2(b):

82-\_\_\_\_\_.)

N/A

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This Form 6-K consists of:

An announcement regarding 2013 third quarterly report of China Petroleum & Chemical Corporation (the “Registrant”), made by the Registrant on October 29, 2013.

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(a joint stock limited company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 0386)

#### OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board  
China Petroleum & Chemical Corporation  
Huang Wensheng  
Secretary to the Board of Directors

Beijing, the PRC,  
29 October 2013

As of the date of this notice, directors of the Company are: Fu Chengyu\*, Wang Tianpu\*, Zhang Yaocang\*, Li Chunguang#, Zhang Jianhua#, Wang Zhigang#, Cai Xiyoun#, Cao Yaofeng\*, Dai Houliang#, Liu Yun\*, Chen Xiaojin+, Ma Weihua+, Jiang Xiaoming+, Andrew Y. Yan+, Bao Guoming+.

# Executive Director

\* Non-executive Director

+ Independent Non-executive Director

China Petroleum & Chemical Corporation  
The Third Quarterly Report for 2013

1 Important notice

1.1 The Board of Directors, the Supervisory Board of China Petroleum & Chemical Corporation (“Sinopec Corp.” or the “Company”) and its directors, supervisors and senior management warrant that there are no material omissions, misrepresentations or misleading statements contained in this report and severally and jointly accept full responsibility for the authenticity, accuracy and completeness of the information contained in this report.

1.2 The third quarterly report for 2013 (the “Quarterly Report”) was approved at the 12th meeting of the Fifth Session of the Board of Directors of Sinopec Corp.. All the directors attended this meeting.

1.3 The financial statements in the Quarterly Report were not audited.

1.4 Mr. Fu Chengyu, Chairman of the Board of Directors, Mr. Li Chunguang, Director and President, and Mr. Wang Xinhua, Chief Financial Officer and Head of the Accounting Department warrant the authenticity, accuracy and completeness of the financial statements contained in the Quarterly Report.

2 Basic information of Sinopec Corp.

2.1 Principal financial data and indicators

2

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## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2.1.1 Principal financial data and indicators prepared in accordance with the China Accounting Standards for Business Enterprises ("ASBE").

|   | As at  |                  | Changes over the<br>end of last year(%)                                  |   |           |  |
|---|--|------------------|--|---|-----------|--|
|   | 30 September 2013  | 31 December 2012 |  |   |           |  |
| Total assets (RMB million)  | 1,319,538  | 1,238,522        | 6.54   |   |           |  |
| Net equity attributable to equity shareholders of the Company (RMB million)   | 556,623  | 513,374          | 8.42   |   |           |  |
|   | Nine-month periods (January-September)<br>ended 30 September |                  | Changes over the<br>same period of the<br>preceding year (%)             |   |           |  |
|   | 2013   | 2012             |  |   |           |  |
| Net cash flow from operating activities (RMB million)   | 79,612   | 73,559           | 8.23   |   |           |  |
|   | Three-month periods (July-September)<br>ended 30 September   |                  |  | Nine-month periods<br>(January-September)<br>ended 30 September |           | Changes<br>over the<br>same<br>period of<br>the<br>preceding<br>year (%) |
|   | 2013   | 2012             | Changes<br>over the<br>same<br>period of<br>the<br>preceding<br>year (%) | 2013  | 2012      |  |
| Operating income (RMB million)  | 724,680  | 676,694          | 7.09   | 2,139,924   | 2,024,766 | 5.69   |
| Net profit attributable to equity shareholders of the Company (RMB million)   | 22,183   | 18,249           | 21.56  | 51,600  | 41,946    | 23.02  |
| Net profit attributable to equity shareholders of the Company after deducting extraordinary gain/loss items (RMB million) | 22,106   | 17,803           | 24.17  | 51,302  | 41,062    | 24.94  |
| Basic earnings per share Note (RMB)   | 0.191  | 0.162            | 17.90  | 0.445   | 0.372     | 19.62  |
| Diluted earnings per share Note (RMB)   | 0.177  | 0.152            | 16.45  | 0.416   | 0.355     | 17.18  |
| Weighted average return on net assets (%)   | 4.02   | 3.73             | 0.29<br>percentage<br>point  | 9.55  | 8.60      | 0.95<br>percentage<br>point  |

Note:

Total share capital of Sinopec Corp. for the nine-month period ended 30 September 2013 has increased as a result of H share issuances, bonus issues of shares and capitalization of share premium of Sinopec Corp. to all shareholders and conversion of the A share Convertible Bonds. The data of 2012 have been retrospectively adjusted in accordance with ASBE.

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| Extraordinary gain/loss items and corresponding amounts | Three-month periods (July-September) ended 30 September (gain)/loss (RMB million) | Nine-month periods (January-September) ended 30 September (gain)/loss (RMB million) |
|---|---|---|
| Loss on disposal of non-current assets                  | 84  | 179   |
| Donations   | 16  | 119   |
| Government grants                                       | (279)   | (819)   |
| Gain on holding and disposal of various investments     | (24)  | (48)  |
| Other extraordinary income and expenses, net            | 98  | 165   |
| Subtotal  | (105)   | (404)   |
| Tax effect  | 26  | 101   |
| Total   | (79)  | (303)   |
| Attributable to: Equity shareholders of the Company     | (77)  | (298)   |
| Minority interests                                      | (2)   | (5)   |

## 2.1.2 Principal financial data and indicators prepared in accordance with International Financial Reporting Standards (“IFRS”)

|   | As at<br>30 September 2013                                | As at<br>31 December 2012                                 | Changes over<br>the<br>end of last<br>year(%)                   |
|---|---|---|---|
| Total assets (RMB million)  | 1,319,385   | 1,257,944   | 4.88  |
| Net equity attributable to equity shareholders of the Company (RMB million) | 554,130   | 510,914   | 8.46  |
|   | Nine-month periods (January-September) ended 30 September |   | Changes over<br>the same period<br>of the preceding<br>year (%) |
|   | 2013  | 2012  |   |
| Net cash flow from operating activities (RMB million)                       | 79,612  | 73,327  | 8.57  |
|   | Three-month periods (July-September) ended 30 September   | Nine-month periods (January-September) ended 30 September |   |

|  |        |        | Changes<br>over the<br>same<br>period of<br>the<br>preceding<br>year (%) |        |        | Changes<br>over the<br>same<br>period of<br>the<br>preceding<br>year (%) |
|--|--------|--------|--|--------|--------|--|
|  | 2013   | 2012   |  | 2013   | 2012   |  |
| Operating profit (RMB million)   | 31,547 | 28,185 | 11.93  | 78,288 | 68,268 | 14.68  |
| Net profit attributable to equity<br>shareholders of the<br>Company(RMB million) | 22,019 | 18,326 | 20.15  | 52,300 | 42,829 | 22.11  |
| Basic earnings per share Note<br>(RMB)   | 0.189  | 0.162  | 16.67  | 0.451  | 0.379  | 19.00  |
| Diluted earnings per share Note<br>(RMB)   | 0.176  | 0.153  | 15.03  | 0.422  | 0.362  | 16.57  |



## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

|                          |      |      |            |      |      |            |
|--------------------------|------|------|------------|------|------|------------|
|                          |      |      | 0.23       |      |      | 0.69       |
|                          |      |      | percentage |      |      | percentage |
| Return on net assets (%) | 3.97 | 3.74 | point      | 9.44 | 8.75 | point      |

Note: Total share capital of Sinopec Corp. for the nine-month period ended 30 September 2013 has increased as a result of H share issuances, bonus issues of shares and capitalization of share premium of Sinopec Corp. to all shareholders and conversion of the A share Convertible Bonds. The data of 2012 have been retrospectively adjusted in accordance with IFRS.

2.2 Number of shareholders at the end of the reporting period is 708,469, including 701,892 holders of A shares and 6,577 holders of H shares.

Top ten shareholders (Top ten shareholders holding tradable shares without selling restrictions) at the end of the reporting period Note1:

| Name of shareholders<br>(full name)  | Number of shares<br>held at the end<br>of the period<br>(shares) | Percentage<br>(%) | Number<br>of shares<br>with selling<br>restrictions | Number<br>of shares<br>subject to<br>pledge or<br>lock-up | Type of shares                 | Nature of<br>shareholder |
|--|--|-------------------|---|---|--------------------------------|--------------------------|
| China Petrochemical Corporation  | 85,536,266,000   | 73.38             | Nil   | Nil   | RMB ordinary shares            | State-owned              |
| HKSCC (Nominees) Limited Note2   | 25,368,615,160   | 21.76             | Nil   | Unknown   | Overseas-listed foreign shares | Overseas corporate       |
| Guotai Junan Securities Co., Ltd. Note3  | 337,092,933  | 0.30              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| China Securities Finance Co., Ltd. Note4                                       | 122,627,952  | 0.11              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| China Life Insurance Company Limited - Bonus - Personal Insurance Bonus        | 103,000,000  | 0.09              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| Industrial & Commerce Bank of China, South Selected Securities Investment Fund | 90,922,665   | 0.08              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| Qatar Holding Company Ltd-Self Owned Fund                                      | 89,996,185   | 0.08              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| China Social Security Fund Portfolio106  | 74,614,548   | 0.06              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| Bank of Communication-E Fund 50 Index Securities Investment Fund               | 64,277,521   | 0.06              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |
| Industrial & Commercial Bank of China - Shanghai Stock                         | 53,783,423   | 0.05              | Nil   | Unknown   | RMB ordinary shares            | Unknown                  |

Exchange 50 ETF

Note 1: A shares of Sinopec Corp. are underlying securities listed on the Shanghai Stock Exchange issued for margin trading. In accordance with the requirements of

5

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disclosure for securities and based on the shareholders' registration records provided by China Securities Depository and Clearing Corporation Limited for the purpose of calculating the number of shares held by shareholders, Sinopec Corp. has consolidated principal accounts, special securities lending account and guaranty securities account for refinancing of securities companies, as well as principal account and special securities account for refinancing of China Securities Finance Corporation Limited.

Note 2: Sinopec Century Bright Capital Investment Limited, overseas wholly-owned subsidiary of China Petrochemical Corporation, holds 553,150,000 H shares, which are included in the total number of the shares held by HKSCC Nominees Limited.

Note 3: As at 30 September 2013, the shares of Guotai Junan Securities Co., Ltd. were composed of the shares of its principal accounts and its special securities lending account, as well as its guaranty securities account for refinancing which was held through China Securities Finance Co., Ltd. - refinancing collateral securities account. The amount of shares held by Guotai Junan Securities Co., Ltd. increased by 75,384,798 shares as at 30 September 2013, compared with the amount at 31 December 2012.

Note 4: As at 30 September 2013, the shares of China Securities Finance Co., Ltd. were held through its principal account. The amount of shares held by China Securities Finance Co., Ltd. increased by 122,627,952 shares as at 30 September 2013, compared with the amount at 31 December 2012.

## 2.3

### Review of operating results

In the first three quarters of 2013, China's economy grew steadily with GDP up by 7.7% over the same period of last year. Domestic demand for oil products and chemical products continued to grow. The Chinese government further improved the pricing mechanism for oil products, implemented an adjustment of natural gas price and announced the premium pricing policy for upgraded quality oil products. Based on macro-economy trends and market demand, the Company arranged the operation with quality and efficiency being the priorities for development, accelerated the structure adjustment and the transformation of development mode and exercised strict control over cost and expenditures. All these efforts contribute to a good operating result.

Exploration & Production Segment: In exploration, the Company optimized exploration areas and made major breakthroughs in new blocks such as the Tarim Basin. The Company intensified its progressive exploration and oil reserve evaluation. Seven projects including West Junggar, Tahe and East Shengli etc. as well as Daniudi Gasfield development were under progress smoothly. The Company accelerated the unconventional oil and gas development and made major progress in the Fuling shale gas project. The Southeast Sichuan marine facies shale gas evaluation were under progress. Development of coal-bed methane in South Yanchuan are progressing

smoothly and production increased steadily. During the first three quarters, the oil and gas production of the Company reached 330.79 million barrels of oil equivalent, up by 4.00% compared with the same period of 2012. The operating profit of Exploration & Production Segment recorded RMB 46.744 billion, down by 15.45% compared with the same period of 2012.

**Refining Segment:** The Company adjusted its product mix in response to changes in domestic oil products market demand, producing more gasoline, jet fuel and other high-value-added products that were well received in the market. The Company optimized its operations and tapped its potentials by cost saving and efficiency improvement. The Company made every effort to upgrade oil products quality and considerably increased production of gasoline and diesel above GB IV standards with an aim to prepare for the premium quality oil products supply. The Company optimized the marketing of LPG, asphalt and paraffin by tapping its advantage in specialization. In the first three quarters of 2013, refinery throughput was 174.19 million tonnes, representing a growth of 6.43% over the same period of last year. Refining Segment made a turnaround by recording an operating profit of RMB 6.656 billion, as compared with a loss in the same period of 2012.

**Marketing and Distribution Segment:** In the first three quarters of 2013, in response to changes in supply and demand in the domestic market and the implementation of the newly-announced oil products pricing mechanism, the Company endeavored to maximize its profitability and adjusted its marketing strategies by adopting differentiated marketing tactics. While increasing sales volume, the Company focused on the retail market and expanded retail sales volume by offering signature services. The Company expanded the marketing of jet fuel and high standard oil products. Besides, it strengthened quality management to ensure oil products quality, promoted new businesses as well as non-fuel businesses and explored the gas market for vehicles actively. In the first three quarters of 2013, total sales volume of oil products increased to 134.64 million tonnes, up by 4.91% over the same period of last year. Total retail volume reached 84.82 million tonnes, representing an increase of 4.65%, and sales of non-fuel businesses reached RMB 10 billion, an increase of 20.5% compared with the same period of 2012. The operating profit of the Marketing and Distribution Segment was RMB 27.034 billion, representing a decrease of 10.51%.

**Chemicals Segment:** The Company further optimized the feedstock mix and cut feedstock costs by using more light feedstock. The Company optimized the operation and upgraded the technical and economical indicators. The Company strengthened its market analysis, the integration of R&D, production and marketing; optimized operations and utilization of

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

facilities; and improved its product mix as well as promoting the development, production and sales of new products. Meanwhile, the Company improved its marketing tactics and customer service, reinforced supply-chain management. Wuhan ethylene project was put into trial operation. In the first three quarters of 2013, ethylene production was 7.398 million tonnes, representing an increase by 5.32% compared with the same period of 2012. The Chemicals Segment suffered an operation loss of RMB 59 million in the first three quarters of 2013, representing a decrease in loss by RMB 233 million as compared with the same period of 2012.

## Summary of Principal Operating Results for the First Three Quarters

| Operating Data                              | Unit                              | Nine-month period ended September 30 |        | Changes over the same period of the preceding year (%) |
|---|-----------------------------------|--------------------------------------|--------|--|
|   |                                   | 2013                                 | 2012   |  |
| <b>Exploration and Production</b>           |                                   |                                      |        |  |
| Oil and gas production                      | Million barrels of oil equivalent | 330.79                               | 318.08 | 4.00   |
| Crude oil production                        | Million barrels                   | 249.73                               | 245.01 | 1.93   |
| China                                       | Million barrels                   | 232.19                               | 228.96 | 1.41   |
| Overseas                                    | Million barrels                   | 17.54                                | 16.05  | 9.28   |
| Natural gas production                      | Billion cubic feet                | 486.34                               | 438.41 | 10.93  |
| Crude oil price realised                    | USD / barrel                      | 95.11                                | 100.69 | (5.54)   |
| Natural gas price realised                  | USD / thousand cubic feet         | 6.15                                 | 5.77   | 6.59   |
| <b>Refining (Note 1)</b>                    |                                   |                                      |        |  |
| Refinery throughput                         | Million tonnes                    | 174.19                               | 163.66 | 6.43   |
| Gasoline, Diesel & Kerosene production      | Million tonnes                    | 105.13                               | 98.39  | 6.85   |
| Gasoline                                    | Million tonnes                    | 34.02                                | 29.70  | 14.55  |
| Diesel                                      | Million tonnes                    | 58.27                                | 57.70  | 0.99   |
| Kerosene including jet fuel                 | Million tonnes                    | 12.84                                | 10.99  | 16.83  |
| Light chemical feedstock production         | Million tonnes                    | 28.68                                | 26.89  | 6.66   |
| Light yield                                 | %                                 | 76.15                                | 76.93  | (0.78) percentage point                                |
| Refinery yield                              | %                                 | 94.71                                | 95.23  | (0.52) percentage point                                |
| <b>Marketing and Distribution</b>           |                                   |                                      |        |  |
| Total sales volume of oil products          | Million tonnes                    | 134.64                               | 128.34 | 4.91   |
| Total domestic sales volume of oil products | Million tonnes                    | 123.30                               | 118.48 | 4.07   |
| Retail                                      | Million tonnes                    | 84.82                                | 81.05  | 4.65   |
| Direct sales                                | Million tonnes                    | 24.64                                | 24.45  | 0.78   |
| Wholesale                                   | Million tonnes                    | 13.84                                | 12.99  | 6.54   |
| Total number of service stations (Note 2)   | Stations                          | 30,576                               | 30,836 | (0.84)   |
| Company-operated                            | Stations                          | 30,563                               | 30,823 | (0.84)   |
| Annualized throughput per station (Note 3)  | Tonnes/station                    | 3,699                                | 3,498  | 5.75   |

Chemicals (Note 1)

8

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## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

|                                     |                 |        |       |      |
|-------------------------------------|-----------------|--------|-------|------|
| Ethylene                            | Thousand tonnes | 7,398  | 7,024 | 5.32 |
| Synthetic resin                     | Thousand tonnes | 10,223 | 9,956 | 2.68 |
| Synthetic rubber                    | Thousand tonnes | 715    | 703   | 1.71 |
| Synthetic fiber monomer and polymer | Thousand tonnes | 6,849  | 6,699 | 2.24 |
| Synthetic fiber                     | Thousand tonnes | 1,049  | 992   | 5.75 |

Note 1: Including 100% production of Joint Ventures;

Note 2: Service station data for 2012 is as of December 31, 2012;

Note 3: The throughput per station is an annualized average of our company-operated service stations;

Note 4: Conversion rates: for domestic production of crude oil, 1 tonne = 7.1 barrels, for production of crude oil overseas, 1 tonne = 7.27 barrels; for refinery throughput, 1 tonne = 7.35 barrels; for production of natural gas, 1 cubic meter = 35.31 cubic feet.

#### Capital expenditure:

The Company's capital expenditures were RMB 86.945 billion in the first three quarters of 2013. Capital expenditures for E&P segment were RMB 41.249 billion, mainly for tight oil development in south Ordos, heavy oil development in west Shengli at shallow stratus, new blocks in the Tahe Oilfield, Yuanba and the Daniudi gas fields, and the Shandong LNG project. Capital expenditures for the Refining Segment were RMB 12.712 billion, mainly for upgrading oil product quality and revamping projects in Wuhan, Anqing and Maoming etc.. In the Chemicals segment, RMB12.759 billion were used for the construction of the Wuhan 800,000-tpa ethylene project, the Hubei syngas-to-MEG project and the Hainan aromatics project. Capital expenditures for Marketing and Distribution segment were RMB 17.363 billion, mainly for developing and revamping service stations (including gas stations), for the construction of refined oil product pipelines and depots and for assuring safety and improving environment. The Company recruited 671 new service stations (including gas stations) during the period. A total of RMB 2.862 billion was used for the Corporate and Others, mainly for R&D facilities and IT projects construction. The capital expenditure in the first three quarters of this year was in line with the Company's schedule as slated at the beginning of the year.

### 3 Significant events

3.1 Significant changes in major items contained in the consolidated financial statements prepared in accordance with the PRC Accounting Standards for Business Enterprises ("ASBE") and the reasons for such changes.

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| Items of Consolidated Balance Sheet         | As at                   | As at                  | Increase/(decrease) |            | Main Reason for Changes   |
|---|-------------------------|------------------------|---------------------|------------|---|
|   | 30<br>September<br>2013 | 31<br>December<br>2012 | Amount              | Percentage |   |
|   |                         | RMB million            |                     | %          |   |
| Bills receivable                            | 27,989                  | 20,045                 | 7,944               | 40         | Mainly due to expanded business scale and the Company's control over amount of discount.  |
| Prepayments                                 | 6,914                   | 4,370                  | 2,544               | 58         | Mainly due to increased prepayments for external purchase of crude oil, customs deposits and commodities such as steel.   |
| Deferred tax assets                         | 4,424                   | 6,381                  | (1,957)             | (31)       | Mainly due to the write-down of deferred tax assets of the companies, such as Qingdao Oil Refinery and Petrochemical Company etc..  |
| Short-term borrowings                       | 124,769                 | 70,228                 | 54,541              | 78         | Mainly due to increased short-term borrowings in US Dollars.  |
| Taxes payable                               | 29,264                  | 21,985                 | 7,279               | 33         | Mainly due to improved performance of refineries and retained VAT at Puguang gas field.   |
| Short-term debentures payable               | 10,000                  | 30,000                 | (20,000)            | (67)       | Mainly due to repayment to super short-term commercial papers.  |
| Non-current liabilities due within one year | 48,130                  | 15,754                 | 32,376              | 206        | Mainly due to bonds expiring in 2014 were reclassified into this item according to ASBE.  |
| Share capital                               | 116,565                 | 86,820                 | 29,745              | 34         | Mainly due to H share issuances, bonus issues of shares and capitalization of share premium of Sinopec Corp. to all shareholders and conversion of the A share Convertible Bonds. |





## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| Items of Consolidated<br>Income Statement | Nine-month periods<br>ended 30 September |                     | Increase/(decrease) |                 | Main Reason for<br>Changes  |
|---|--|---------------------|---------------------|-----------------|---|
|   | 2013                                     | 2012<br>RMB million | Amount              | Percentage<br>% |   |
| Financial expenses                        | 5,463                                    | 8,284               | (2,821 )            | (34 )           | Mainly due to income from foreign exchanges as a result of RMB exchange rate change as well as optimized debt structure, which lead to a lower overall cost of financing. |
| Asset impairment losses                   | 34                                       | 7,518               | (7,484 )            | (100 )          | Mainly due to the provision for impairment of inventories in refining segment in the first half of 2012.  |
| Gain from changes in fair value           | 1,567                                    | 1,175               | 392                 | 33              | Mainly due to the changes in the fair value of embedded derivatives in the convertible bonds as a result of change in Sinopec Corp.'s A share and H share prices.         |
| Investment income                         | 1,538                                    | 635                 | 903                 | 142             | Mainly due to the increased income from the investment by the Company in affiliates and joint venture.  |
| Items of Consolidated                     | Nine-month periods<br>ended 30 September |                     | Increase/(decrease) |                 |   |
|   | 2013                                     | 2012                | Amount              | Percentage      |   |

## Cash Flow Statement

|  | RMB million |       |        | %     | Main Reason for Changes  |
|--|-------------|-------|--------|-------|--|
| Cash paid for acquisition of investments | 28,109      | 5,609 | 22,500 | 401   | Mainly due to the acquisition of overseas oil and gas assets under China Petrochemical Corporation, which lead to increased payments on a year-over-year basis |
| Cash received from capital contributions | 31,709      | 931   | 30,778 | 3,306 | Mainly due to proceeds from H share issuance by Sinopec Corp. in this year.  |

3.2 Analysis of the significant event progress, influence and resolution

applicable                            not applicable

3.3 Status of fulfillment of commitments undertaken by the Company, shareholder and actual controller.

     applicable                      not applicable

(1) Till the end of the reporting period, the major undertakings given by China Petrochemical Corporation included follows:

- i Complying with the connected transaction agreements;
- ii Solving the issues regarding legality of the land use rights certificates and property ownership rights certificates within a specified period of time;
- iii Implementing the Re-organization Agreement;
- iv Granting licenses for intellectual property rights;
- v Avoiding competition within the same industry; and
- vi Withdrawing from the business competition and conflict of interests with Sinopec Corp.

Details of the above undertakings were included in the prospectus for the issuance of A shares of Sinopec Corp. published in China Securities Journal, Shanghai Securities News, and Securities Times on 22 June 2001.

vii On 27 October 2010, Sinopec Corp. announced that the majority of China Petrochemical Corporation's refining business had been injected into Sinopec Corp., and that China Petrochemical Corporation had made a commitment to dispose of its minor remaining refining business within five years to eliminate competition with Sinopec Corp.

On 15 March 2012, Sinopec Corp. announced that China Petrochemical Corporation undertook that:

After the integration of its upstream, midstream and downstream businesses, Sinopec Corp. should become the sole platform in China Petrochemical Corporation which deals with the exploration and production of oil and gas, oil refining, chemicals, sale of petroleum products.

China Petrochemical Corporation would dispose its minor remaining chemicals business within the next five years in order to avoid competition with Sinopec Corp. with regard to the chemicals business.

Given that China Petrochemical Corporation engaged in the same or

similar businesses as Sinopec Corp. with regard to the exploration and production of overseas petroleum and natural gas, after a thorough analysis from political and economic perspectives, Sinopec Corp. proposed to acquire China Petrochemical Corporation's overseas oil and gas assets when appropriate (the "Proposed Acquisitions"). China Petrochemical Corporation undertook to transfer such assets to Sinopec Corp., provided that the Proposed Acquisitions comply with the applicable laws and regulations, contractual obligations and other procedural requirements at the time of the respective Proposed Acquisitions.

During the reporting period, Sinopec Corp. was not aware of any breach of the above-mentioned major undertakings by China Petrochemical Corporation.

(2) As at the end of the reporting period, Sinopec Corp. made no undertakings in respect of results, undertakings in respect of assets injection, or assets restructuring which were not fully performed, or assets or projects earnings prediction.

3.4 Caution and explanation as to the anticipated loss of accumulated net profits from the beginning of the year to the end of the next reporting period or significant changes over the same period of last year.

applicable                                            not applicable

3.5 This quarterly results announcement is published in both Chinese and English languages. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

By Order of the Board  
Chairman  
Fu Chengyu  
Beijing, PRC, 29 October 2013

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## A. Quarterly financial statements prepared under China Accounting Standards for Business Enterprises

| 1.                              | Consolidated Balance Sheet | As at 30<br>September<br>2013<br>RMB million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB million<br>(audited) |
|---------------------------------|----------------------------|---|--|
| Assets                          |                            |   |  |
| Current assets                  |                            |   |  |
| Cash at bank and on hand        |                            | 12,096  | 10,864   |
| Bills receivable                |                            | 27,989  | 20,045   |
| Accounts receivable             |                            | 80,068  | 81,395   |
| Other receivables               |                            | 10,689  | 8,807  |
| Prepayments                     |                            | 6,914   | 4,370  |
| Inventories                     |                            | 225,104   | 218,262  |
| Other current assets            |                            | 13,875  | 1,008  |
| <b>Total current assets</b>     |                            | <b>376,735</b>  | <b>344,751</b>   |
| Non-current assets              |                            |   |  |
| Long-term equity investments    |                            | 58,560  | 52,061   |
| Fixed assets                    |                            | 617,741   | 588,969  |
| Construction in progress        |                            | 158,487   | 168,977  |
| Intangible assets               |                            | 55,075  | 49,834   |
| Goodwill                        |                            | 6,254   | 6,257  |
| Long-term deferred expenses     |                            | 10,555  | 10,246   |
| Deferred tax assets             |                            | 4,424   | 6,381  |
| Other non-current assets        |                            | 31,707  | 11,046   |
| <b>Total non-current assets</b> |                            | <b>942,803</b>  | <b>893,771</b>   |
| <b>Total assets</b>             |                            | <b>1,319,538</b>  | <b>1,238,522</b>   |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 1. Consolidated Balance Sheet (continued)

|   | As at 30<br>September<br>2013<br>RMB million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB million<br>(audited) |
|---|---|--|
| <b>Liabilities and shareholders' equity</b> |   |  |
| <b>Current liabilities</b>                  |   |  |
| Short-term loans                            | 124,769   | 70,228   |
| Bills payable                               | 5,289   | 6,656  |
| Accounts payable                            | 183,762   | 215,628  |
| Advances from customers                     | 76,526  | 69,299   |
| Employee benefit payable                    | 2,518   | 1,838  |
| Taxes payable                               | 29,264  | 21,985   |
| Other payables                              | 61,812  | 61,721   |
| Short-term debentures payable               | 10,000  | 30,000   |
| Non-current liabilities due within one year | 48,130  | 15,754   |
| <b>Total current liabilities</b>            | <b>542,070</b>  | <b>493,109</b>   |
| <b>Non-current liabilities</b>              |   |  |
| Long-term loans                             | 42,839  | 40,267   |
| Debentures payable                          | 99,532  | 121,849  |
| Provisions                                  | 23,754  | 21,591   |
| Deferred tax liabilities                    | 6,997   | 7,294  |
| Other non-current liabilities               | 4,410   | 3,811  |
| <b>Total non-current liabilities</b>        | <b>177,532</b>  | <b>194,812</b>   |
| <b>Total liabilities</b>                    | <b>719,602</b>  | <b>687,921</b>   |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 1. Consolidated Balance Sheet (continued)

|  | As at 30<br>September<br>2013<br>RMB million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB million<br>(audited) |
|--|---|--|
| Liabilities and shareholders' equity (continued)         |   |  |
| Shareholders' equity                                     |   |  |
| Share capital  | 116,565   | 86,820   |
| Capital reserve  | 38,440  | 30,574   |
| Specific reserve   | 4,283   | 3,550  |
| Surplus reserves   | 187,096   | 184,603  |
| Retained earnings  | 212,197   | 209,446  |
| Foreign currency translation differences                 | (1,958 )  | (1,619 )   |
| Total equity attributable to shareholders of the Company | 556,623   | 513,374  |
| Minority interests                                       | 43,313  | 37,227   |
| Total shareholders' equity                               | 599,936   | 550,601  |
| Total liabilities and shareholders' equity               | 1,319,538   | 1,238,522  |

These financial statements have been approved by the board of directors on 29 October 2013.

/s/ Fu Chengyu  
Fu Chengyu  
Chairman  
Legal representative

/s/ Li Chunguang  
Li Chunguang  
President

/s/ Wang Xinhau  
Wang Xinhua  
Chief Financial Officer

Company Chop



## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2. Balance Sheet

|                                 | As at 30<br>September<br>2013 | As at 31<br>December<br>2012 |
|---------------------------------|-------------------------------|------------------------------|
|                                 | RMB million<br>(unaudited)    | RMB<br>million<br>(audited)  |
| Assets                          |                               |                              |
| Current assets                  |                               |                              |
| Cash at bank and on hand        | 2,905                         | 5,468                        |
| Bills receivable                | 2,760                         | 1,333                        |
| Accounts receivable             | 29,141                        | 21,041                       |
| Other receivables               | 53,533                        | 42,055                       |
| Prepayments                     | 7,478                         | 5,003                        |
| Inventories                     | 141,989                       | 148,844                      |
| Other current assets            | 16,985                        | 707                          |
| <b>Total current assets</b>     | <b>254,791</b>                | <b>224,451</b>               |
| Non-current assets              |                               |                              |
| Long-term equity investments    | 152,273                       | 111,467                      |
| Fixed assets                    | 494,181                       | 475,417                      |
| Construction in progress        | 124,065                       | 152,199                      |
| Intangible assets               | 44,546                        | 43,114                       |
| Long-term deferred expenses     | 8,453                         | 8,617                        |
| Deferred tax assets             | -                             | 1,397                        |
| Other non-current assets        | 6,302                         | 5,290                        |
| <b>Total non-current assets</b> | <b>829,820</b>                | <b>797,501</b>               |
| <b>Total assets</b>             | <b>1,084,611</b>              | <b>1,021,952</b>             |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2. Balance Sheet (continued)

|   | As at 30<br>September<br>2013<br>RMB<br>million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB<br>million<br>(audited) |
|---|--|---|
| Liabilities and shareholders' equity        |  |   |
| <b>Current liabilities</b>                  |  |   |
| Short-term loans                            | 22,422   | 1,692   |
| Bills payable                               | 2,827  | 4,000   |
| Accounts payable                            | 132,595  | 121,184   |
| Advances from customers                     | 64,923   | 58,570  |
| Employee benefits payable                   | 2,101  | 1,315   |
| Taxes payable                               | 23,966   | 17,854  |
| Other payables                              | 120,955  | 118,311   |
| Short-term debentures payable               | 10,000   | 30,000  |
| Non-current liabilities due within one year | 46,722   | 15,644  |
| <b>Total current liabilities</b>            | <b>426,511</b>   | <b>368,570</b>  |
| <b>Non-current liabilities</b>              |  |   |
| Long-term loans                             | 40,753   | 38,560  |
| Debentures payable                          | 78,186   | 121,849   |
| Provisions                                  | 20,856   | 19,598  |
| Deferred tax liabilities                    | 85   | -   |
| Other non-current liabilities               | 2,435  | 1,688   |
| <b>Total non-current liabilities</b>        | <b>142,315</b>   | <b>181,695</b>  |
| <b>Total liabilities</b>                    | <b>568,826</b>   | <b>550,265</b>  |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2. Balance Sheet (continued)

|  | As at 30<br>September<br>2013<br>RMB million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB million<br>(audited) |
|--|---|--|
| Liabilities and shareholders' equity continued |   |  |
| Shareholders' equity                           |   |  |
| Share capital                                  | 116,565   | 86,820   |
| Capital reserve                                | 47,916  | 39,146   |
| Specific reserve                               | 3,463   | 3,017  |
| Surplus reserves                               | 187,096   | 184,603  |
| Retained earnings                              | 160,745   | 158,101  |
| Total shareholders' equity                     | 515,785   | 471,687  |
| Total liabilities and shareholders' equity     | 1,084,611   | 1,021,952  |

These financial statements have been approved by the board of directors on 29 October 2013.

/s/ Fu Chengyu  
Fu Chengyu  
Chairman  
Legal representative

/s/ Li Chunguang  
Li Chunguang  
President

/s/ Wang Xinhau  
Wang Xinhua  
Chief Financial Officer

Company Chop

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

|   | Three-month periods ended 30 |             |
|---|------------------------------|-------------|
|   | September                    |             |
|   | 2013                         | 2012        |
|   | RMB million                  | RMB million |
| Operating income                                    | 724,680                      | 676,694     |
| Less Operating costs                                | 613,887                      | 572,280     |
| Sales taxes and surcharges                          | 47,947                       | 45,293      |
| Selling and distribution expenses                   | 11,361                       | 10,834      |
| General and administrative expenses                 | 18,077                       | 14,961      |
| Financial expenses                                  | 2,171                        | 2,751       |
| Exploration expenses, including dry holes           | 1,717                        | 5,275       |
| Impairment losses                                   | (39 )                        | 470         |
| Add Gain from changes in fair value                 | 830                          | 665         |
| Investment income                                   | 630                          | 403         |
| Operating profit                                    | 31,019                       | 25,898      |
| Add Non-operating income                            | 688                          | 760         |
| Less Non-operating expenses                         | 608                          | 377         |
| Profit before taxation                              | 31,099                       | 26,281      |
| Less Income tax expense                             | 7,634                        | 7,415       |
| Net profit  | 23,465                       | 18,866      |
| Attributable to: Equity shareholders of the Company | 22,183                       | 18,249      |
| Minority interests                                  | 1,282                        | 617         |
| Basic earnings per share (RMB: Yuan)                | 0.191                        | 0.162       |
| Diluted earnings per share (RMB: Yuan)              | 0.177                        | 0.152       |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

|   | Consolidated Income Statement (unaudited) (continued) |             |
|---|---|-------------|
|   | Nine-month periods ended 30                           |             |
|   | September   |             |
|   | 2013  | 2012        |
|   | RMB million   | RMB million |
| Operating income                                    | 2,139,924   | 2,024,766   |
| Less Operating costs                                | 1,827,437   | 1,724,711   |
| Sales taxes and surcharges                          | 142,398   | 140,560     |
| Selling and distribution expenses                   | 32,172  | 29,756      |
| General and administrative expenses                 | 51,452  | 44,184      |
| Financial expenses                                  | 5,463   | 8,284       |
| Exploration expenses, including dry holes           | 9,361   | 12,157      |
| Impairment losses                                   | 34  | 7,518       |
| Add Gain from changes in fair value                 | 1,567   | 1,175       |
| Investment income                                   | 1,538   | 635         |
| Operating profit                                    | 74,712  | 59,406      |
| Add Non-operating income                            | 1,845   | 2,122       |
| Less Non-operating expenses                         | 1,486   | 964         |
| Profit before taxation                              | 75,071  | 60,564      |
| Less Income tax expense                             | 20,102  | 16,752      |
| Net profit  | 54,969  | 43,812      |
| Attributable to: Equity shareholders of the Company | 51,600  | 41,946      |
| Minority interests                                  | 3,369   | 1,866       |
| Basic earnings per share (RMB: Yuan)                | 0.445   | 0.372       |
| Diluted earnings per share (RMB: Yuan)              | 0.416   | 0.355       |

These financial statements have been approved by the board of directors on 29 October 2013.

|                      |                  |                         |
|----------------------|------------------|-------------------------|
| /s/ Fu Chengyu       | /s/ Li Chunguang | /s/ Wang Xinhau         |
| Fu Chengyu           | Li Chunguang     | Wang Xinhua             |
| Chairman             | President        | Chief Financial Officer |
| Legal representative |                  |                         |

Company Chop

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| 4. | Income Statement (unaudited)              | Three-month periods ended 30<br>September |                     |
|----|---|---|---------------------|
|    |   | 2013<br>RMB million                       | 2012<br>RMB million |
|    | Operating income                          | 413,028                                   | 364,669             |
|    | Less Operating costs                      | 329,100                                   | 284,805             |
|    | Sales taxes and surcharges                | 37,723                                    | 35,077              |
|    | Selling and distribution expenses         | 8,992                                     | 7,913               |
|    | General and administrative expenses       | 15,096                                    | 11,681              |
|    | Financial expenses                        | 1,897                                     | 2,251               |
|    | Exploration expenses, including dry holes | 1,707                                     | 5,241               |
|    | Impairment losses                         | (14 )                                     | (127 )              |
|    | Add Gain from changes in fair value       | 793                                       | 660                 |
|    | Investment income                         | 3,722                                     | 3,837               |
|    | Operating profit                          | 23,042                                    | 22,325              |
|    | Add Non-operating income                  | 569                                       | 1,328               |
|    | Less Non-operating expenses               | 518                                       | 319                 |
|    | Profit before taxation                    | 23,093                                    | 23,334              |
|    | Less Income tax expense                   | 4,383                                     | 4,176               |
|    | Net profit                                | 18,710                                    | 19,158              |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| 4.  | Income Statement (unaudited) (continued) | Nine-month periods ended 30 |             |
|---|--|-----------------------------|-------------|
|   |  | September                   |             |
|   |  | 2013                        | 2012        |
|   |  | RMB million                 | RMB million |
| Operating income                          |  | 1,196,622                   | 1,143,457   |
| Less Operating costs                      |  | 959,695                     | 905,588     |
| Sales taxes and surcharges                |  | 111,690                     | 112,031     |
| Selling and distribution expenses         |  | 25,215                      | 23,974      |
| General and administrative expenses       |  | 42,530                      | 36,333      |
| Financial expenses                        |  | 5,859                       | 7,149       |
| Exploration expenses, including dry holes |  | 9,331                       | 12,123      |
| Impairment losses                         |  | (37 )                       | 5,560       |
| Add Gain from changes in fair value       |  | 1,571                       | 1,228       |
| Investment income                         |  | 9,445                       | 9,895       |
| Operating profit                          |  | 53,355                      | 51,822      |
| Add Non-operating income                  |  | 1,538                       | 2,476       |
| Less Non-operating expenses               |  | 1,289                       | 855         |
| Profit before taxation                    |  | 53,604                      | 53,443      |
| Less Income tax expense                   |  | 9,968                       | 10,088      |
| Net profit                                |  | 43,636                      | 43,355      |

These financial statements have been approved by the board of directors on 29 October 2013.

/s/ Fu Chengyu  
Fu Chengyu  
Chairman  
Legal representative

/s/ Li Chunguang  
Li Chunguang  
President

/s/ Wang Xinhau  
Wang Xinhua  
Chief Financial Officer

Company Chop

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 5. Consolidated Cash Flow Statement (unaudited)

|  | Nine-month periods ended 30<br>September |                     |
|--|--|---------------------|
|  | 2013<br>RMB million                      | 2012<br>RMB million |
| <b>Cash flows from operating activities</b>  |  |                     |
| Cash received from sale of goods and rendering of services   | 2,358,855                                | 2,325,350           |
| Refund of taxes and levies   | 1,189                                    | 1,882               |
| Other cash received relating to operating activities   | 12,909                                   | 9,510               |
| <b>Sub-total of cash inflows</b>   | <b>2,372,953</b>                         | <b>2,336,742</b>    |
| <b>Cash paid for goods and services</b>  |  |                     |
| Cash paid for goods and services   | (1,987,858 )                             | (1,980,757 )        |
| Cash paid to and for employees   | (37,282 )                                | (33,360 )           |
| Payments of taxes and levies   | (230,593 )                               | (227,270 )          |
| Other cash paid relating to operating activities   | (37,608 )                                | (21,796 )           |
| <b>Sub-total of cash outflows</b>  | <b>(2,293,341 )</b>                      | <b>(2,263,183 )</b> |
| <b>Net cash flow from operating activities</b>   | <b>79,612</b>                            | <b>73,559</b>       |
| <b>Cash flows from investing activities</b>  |  |                     |
| Cash received from disposal of investments   | 186                                      | 1,459               |
| Cash received from returns on investments  | 1,233                                    | 2,235               |
| Net cash received from disposal of fixed assets, oil and gas properties,<br>intangible assets and other long-term assets | 980                                      | 240                 |
| Other cash received relating to investing activities   | 3,007                                    | 4,367               |
| <b>Sub-total of cash inflows</b>   | <b>5,406</b>                             | <b>8,301</b>        |
| <b>Cash paid to acquire fixed assets, oil and gas properties, intangible assets<br/>and other long-term assets</b>       |  |                     |
| Cash paid to acquire fixed assets, oil and gas properties, intangible assets<br>and other long-term assets               | (98,012 )                                | (95,421 )           |
| Cash paid for acquisition of investments   | (28,109 )                                | (5,609 )            |
| Other cash paid relating to investing activities   | (1,589 )                                 | (4,049 )            |
| <b>Sub-total of cash outflows</b>  | <b>(127,710 )</b>                        | <b>(105,079 )</b>   |
| <b>Net cash flow from investing activities</b>   | <b>(122,304 )</b>                        | <b>(96,778 )</b>    |



## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| 5. Consolidated Cash Flow Statement (unaudited)(continued)   | Nine-month periods<br>ended 30 September |                |
|--|--|----------------|
|  | 2013                                     | 2012           |
|  | RMB<br>million                           | RMB<br>million |
| Cash flows from financing activities   |  |                |
| Cash received from borrowings  | 875,342                                  | 649,940        |
| Cash received from capital contributions   | 31,709                                   | 931            |
| Including: Cash received from minority shareholders' capital contributions to subsidiaries               | 12,303                                   | 931            |
| Sub-total of cash inflows  | 907,051                                  | 650,871        |
| Cash repayments of borrowings  | (827,880 )                               | (607,572 )     |
| Cash paid for dividends, profits distribution or interest  | (35,283 )                                | (30,525 )      |
| Including: Subsidiaries' cash payments for distribution of dividends or profits to minority shareholders | (979 )                                   | (920 )         |
| Other cash paid relating to financing activities   | (22 )                                    | (74 )          |
| Sub-total of cash outflows   | (863,185 )                               | (638,171 )     |
| Net cash flow from financing activities  | 43,866                                   | 12,700         |
| Effects of changes in foreign exchange rate  | 419                                      | 90             |
| Net increase/ (decrease) in cash and cash equivalents  | 1,593                                    | (10,429 )      |

These financial statements have been approved by the board of directors on 29 October 2013.

/s/ Fu Chengyu  
Fu Chengyu  
Chairman  
Legal representative

/s/ Li Chunguang  
Li Chunguang  
President

/s/ Wang Xinhau  
Wang Xinhua  
Chief Financial Officer

Company Chop

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| 5. | Cash Flow Statement (unaudited)   | Nine-month periods ended 30 |              |
|----|---|-----------------------------|--------------|
|    |   | September                   |              |
|    |   | 2013                        | 2012         |
|    |   | RMB million                 | RMB million  |
|    | Cash flows from operating activities  |                             |              |
|    | Cash received from sale of goods and rendering of services                                    | 1,294,294                   | 1,339,520    |
|    | Refund of taxes and levies  | 935                         | 260          |
|    | Other cash received relating to operating activities  | 29,796                      | 33,292       |
|    | Sub-total of cash inflows   | 1,325,025                   | 1,373,072    |
|    | Cash paid for goods and services  | (987,257 )                  | (1,056,042 ) |
|    | Cash paid to and for employees  | (30,674 )                   | (26,299 )    |
|    | Payments of taxes and levies  | (179,836 )                  | (179,994 )   |
|    | Other cash paid relating to operating activities  | (37,689 )                   | (17,518 )    |
|    | Sub-total of cash outflows  | (1,235,456 )                | (1,279,853 ) |
|    | Net cash flow from operating activities   | 89,569                      | 93,219       |
|    | Cash flows from investing activities  |                             |              |
|    | Cash received from disposal of investments  | 4,104                       | 439          |
|    | Cash received from returns on investments   | 9,161                       | 8,007        |
|    | Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 1,828                       | 174          |
|    | Other cash received relating to investing activities  | 66                          | 2,515        |
|    | Sub-total of cash inflows   | 15,159                      | 11,135       |
|    | Cash paid to acquire fixed assets, intangible assets and other long-term assets               | (68,954 )                   | (88,353 )    |
|    | Cash paid for acquisition of investments  | (17,718 )                   | (12,518 )    |
|    | Sub-total of cash outflows  | (86,672 )                   | (100,871 )   |
|    | Net cash flow from investing activities   | (71,513 )                   | (89,736 )    |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

| 6.                                   | Cash Flow Statement (unaudited) (continued)               | Nine-month periods<br>ended 30 September |                |
|--------------------------------------|---|--|----------------|
|                                      |   | 2013                                     | 2012           |
|                                      |   | RMB<br>million                           | RMB<br>million |
| Cash flows from financing activities |   |  |                |
|                                      | Cash received from borrowings                             | 200,144                                  | 167,991        |
|                                      | Cash received from capital contributions                  | 19,406                                   | -              |
|                                      | Sub-total of cash inflows                                 | 219,550                                  | 167,991        |
|                                      | Cash repayments of borrowings                             | (207,421 )                               | (159,500 )     |
|                                      | Cash paid for dividends, profits distribution or interest | (32,748 )                                | (28,457 )      |
|                                      | Sub-total of cash outflows                                | (240,169 )                               | (187,957 )     |
|                                      | Net cash flow from financing activities                   | (20,619 )                                | (19,966 )      |
|                                      | Net decrease in cash and cash equivalents                 | (2,563 )                                 | (16,483 )      |

These financial statements have been approved by the board of directors on 29 October 2013.

/s/ Fu Chengyu  
Fu Chengyu  
Chairman  
Legal representative

/s/ Li Chunguang  
Li Chunguang  
President

/s/ Wang Xinhua  
Wang Xinhua  
Chief Financial Officer

Company Chop

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 7. Segment Reporting (unaudited)

|   | Nine-month periods ended<br>30 September |                        |
|---|--|------------------------|
|   | 2013<br>RMB<br>million                   | 2012<br>RMB<br>million |
| Income from principal operations              |  |                        |
| Exploration and production                    |  |                        |
| External sales                                | 43,206                                   | 39,135                 |
| Inter-segment sales                           | 120,754                                  | 131,405                |
|   | 163,960                                  | 170,540                |
| Refining                                      |  |                        |
| External sales                                | 144,518                                  | 141,998                |
| Inter-segment sales                           | 825,885                                  | 790,728                |
|   | 970,403                                  | 932,726                |
| Marketing and distribution                    |  |                        |
| External sales                                | 1,103,348                                | 1,072,561              |
| Inter-segment sales                           | 4,931                                    | 7,075                  |
|   | 1,108,279                                | 1,079,636              |
| Chemicals                                     |  |                        |
| External sales                                | 274,601                                  | 259,411                |
| Inter-segment sales                           | 41,331                                   | 34,152                 |
|   | 315,932                                  | 293,563                |
| Others  |  |                        |
| External sales                                | 543,744                                  | 478,521                |
| Inter-segment sales                           | 473,329                                  | 457,732                |
|   | 1,017,073                                | 936,253                |
| Elimination of inter-segment sales            | (1,466,230)                              | (1,421,092)            |
| Consolidated income from principal operations | 2,109,417                                | 1,991,626              |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 7. Segment Reporting (unaudited) (continued)

|                                | Nine-month periods<br>ended 30 September |                |
|--------------------------------|--|----------------|
|                                | 2013                                     | 2012           |
|                                | RMB<br>million                           | RMB<br>million |
| Income from other operations   |  |                |
| Exploration and production     | 12,753                                   | 16,202         |
| Refining                       | 4,157                                    | 4,082          |
| Marketing and distribution     | 7,631                                    | 6,468          |
| Chemicals                      | 5,207                                    | 5,532          |
| Others                         | 759                                      | 856            |
| Income from other operations   | 30,507                                   | 33,140         |
| Consolidated operating income  | 2,139,924                                | 2,024,766      |
| Operating profit/(loss)        |  |                |
| By segment                     |  |                |
| Exploration and production     | 46,325                                   | 55,001         |
| Refining                       | 6,382                                    | (16,459 )      |
| Marketing and distribution     | 26,740                                   | 30,159         |
| Chemicals                      | (143 )                                   | (1,208 )       |
| Others                         | (1,521 )                                 | (998 )         |
| Elimination                    | (713 )                                   | (615 )         |
| Total segment operating profit | 77,070                                   | 65,880         |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 7. Segment Reporting (unaudited) (continued)

|                                 | Nine-month periods<br>ended 30 September |                        |
|---------------------------------|--|------------------------|
|                                 | 2013<br>RMB<br>million                   | 2012<br>RMB<br>million |
| Investment income/ (loss)       |  |                        |
| Exploration and production      | 158                                      | 221                    |
| Refining                        | (257 )                                   | (930 )                 |
| Marketing and distribution      | 340                                      | 689                    |
| Chemicals                       | 345                                      | 9                      |
| Others                          | 952                                      | 646                    |
| Total segment investment income | 1,538                                    | 635                    |
| Financial expenses              | (5,463 )                                 | (8,284 )               |
| Gain from changes in fair value | 1,567                                    | 1,175                  |
| Operating profit                | 74,712                                   | 59,406                 |
| Add Non-operating income        | 1,845                                    | 2,122                  |
| Less Non-operating expenses     | 1,486                                    | 964                    |
| Profit before taxation          | 75,071                                   | 60,564                 |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## B. Quarterly financial statements prepared under International Financial Reporting Standards (“IFRS”)

## 1. Consolidated Income Statement (unaudited)

|   | Three-month periods<br>ended 30 September |                |
|---|---|----------------|
|   | 2013                                      | 2012           |
|   | RMB<br>million                            | RMB<br>million |
| Turnover and other operating revenues                                     |   |                |
| Turnover  | 713,483                                   | 664,160        |
| Other operating revenues  | 11,197                                    | 12,534         |
|   | 724,680                                   | 676,694        |
| Operating expenses  |   |                |
| Purchased crude oil, products and operating supplies and expenses         | (592,209 )                                | (554,232 )     |
| Selling, general and administrative expenses                              | (17,651 )                                 | (16,469 )      |
| Depreciating, depletion and amortisation                                  | (20,067 )                                 | (17,371 )      |
| Exploration expenses, including dry holes                                 | (1,717 )                                  | (5,275 )       |
| Personnel expenses  | (13,702 )                                 | (10,432 )      |
| Taxes other than income tax   | (47,947 )                                 | (45,293 )      |
| Other operating income, net   | 160                                       | 563            |
| Total operating expenses  | (693,133 )                                | (648,509 )     |
| Operating profit  | 31,547                                    | 28,185         |
| Finance cost  |   |                |
| Interest expenses   | (2,449 )                                  | (3,110 )       |
| Interest income   | 377                                       | 510            |
| Unrealised gain on embedded derivative component of the convertible bonds | 793                                       | 660            |
| Foreign currency exchange loss, net                                       | (99 )                                     | (151 )         |
| Net finance costs   | (1,378 )                                  | (2,091 )       |
| Investment income   | 32  | 64             |
| Share of profits from associates and joint ventures                       | 582                                       | 190            |
| Profit before taxation  | 30,783                                    | 26,348         |
| Tax expenses  | (7,481 )                                  | (7,396 )       |
| Profit for the period   | 23,302                                    | 18,952         |
| Attributable to   |   |                |
| Owners of the Company   | 22,019                                    | 18,326         |
| Non-controlling interests   | 1,283                                     | 626            |
| Profit for the period   | 23,302                                    | 18,952         |
| Earnings per share RMB: Yuan  |   |                |
| Basic   | 0.189                                     | 0.162          |
| Diluted   | 0.176                                     | 0.153          |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 1. Consolidated Income Statement (unaudited)(continued)

|   | Nine-month periods ended |             |
|---|--------------------------|-------------|
|   | 30 September             |             |
|   | 2013                     | 2012        |
|   | RMB                      | RMB         |
|   | million                  | million     |
| Turnover and other operating revenues                                     |                          |             |
| Turnover  | 2,109,417                | 1,991,626   |
| Other operating revenues  | 30,507                   | 33,140      |
|   | 2,139,924                | 2,024,766   |
| Operating expenses  |                          |             |
| Purchased crude oil, products and operating supplies and expenses         | (1,763,065)              | (1,673,556) |
| Selling, general and administrative expenses                              | (49,642 )                | (45,110 )   |
| Depreciating, depletion and amortisation                                  | (59,036 )                | (51,905 )   |
| Exploration expenses, including dry holes                                 | (9,361 )                 | (12,157 )   |
| Personnel expenses  | (38,545 )                | (34,452 )   |
| Taxes other than income tax   | (142,398 )               | (140,560 )  |
| Other operating expenses, net   | 411                      | 1,242       |
| Total operating expenses  | (2,061,636)              | (1,956,498) |
| Operating profit  | 78,288                   | 68,268      |
| Finance cost  |                          |             |
| Interest expenses   | (7,650 )                 | (9,056 )    |
| Interest income   | 969                      | 1,073       |
| Unrealised loss on embedded derivative component of the convertible bonds | 1,554                    | 1,166       |
| Foreign currency exchange gain/ (loss), net                               | 1,218                    | (301 )      |
| Net finance costs   | (3,909 )                 | (7,118 )    |
| Investment income   | 82                       | 127         |
| Share of profits from associates and joint ventures                       | 1,456                    | 513         |
| Profit before taxation  | 75,917                   | 61,790      |
| Tax expenses  | (20,208 )                | (17,039 )   |
| Profit for the period   | 55,709                   | 44,751      |
| Attributable to   |                          |             |
| Equity shareholder of the Company   | 52,300                   | 42,829      |
| Non-controlling interests   | 3,409                    | 1,922       |
| Profit for the period   | 55,709                   | 44,751      |
| Earnings per share RMB: Yuan  |                          |             |
| Basic   | 0.451                    | 0.379       |
| Diluted   | 0.422                    | 0.362       |



## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2. Consolidated Balance Sheet

|   | As at 30<br>September<br>2013<br>RMB<br>million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB<br>million<br>(audited) |
|---|--|---|
| Non-current assets                        |  |   |
| Property, plant and equipment, net        | 617,741  | 588,969   |
| Construction in progress                  | 158,487  | 168,977   |
| Goodwill                                  | 6,254  | 6,257   |
| Interest in associates                    | 28,580   | 28,812  |
| Interest in joint ventures                | 28,172   | 21,388  |
| Investments                               | 3,225  | 2,001   |
| Deferred tax assets                       | 4,271  | 5,539   |
| Lease prepayments                         | 39,672   | 36,240  |
| Long-term prepayments and other assets    | 56,248   | 34,746  |
| Total non-current assets                  | 942,650  | 892,929   |
| Current assets                            |  |   |
| Cash and cash equivalents                 | 12,049   | 10,456  |
| Time deposits with financial institutions | 47   | 408   |
| Trade accounts receivable                 | 80,068   | 81,395  |
| Bills receivable                          | 27,989   | 20,045  |
| Inventories                               | 225,104  | 218,262   |
| Prepaid expenses and other current assets | 31,478   | 34,449  |
| Total current assets                      | 376,735  | 365,015   |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 2. Consolidated Balance Sheet (continued)

|  | As at 30<br>September<br>2013<br>RMB<br>million<br>(unaudited) | As at 31<br>December<br>2012<br>RMB<br>million<br>(audited) |
|--|--|---|
| <b>Current liabilities</b>                               |  |   |
| Short-term debts   | 117,839  | 73,063  |
| Loans from Sinopec Group Company and fellow subsidiaries | 65,060   | 42,919  |
| Trade accounts payables                                  | 183,762  | 215,628   |
| Bills payable  | 5,289  | 6,656   |
| Accrued expenses and other payables                      | 165,645  | 169,062   |
| Income tax payable                                       | 4,475  | 6,045   |
| Total current liabilities                                | 542,070  | 513,373   |
| Net current liabilities                                  | (165,335 )   | (148,358 )  |
| Total assets less current liabilities                    | 777,315  | 744,571   |
| <b>Non-current liabilities</b>                           |  |   |
| Long-term debts  | 105,677  | 124,518   |
| Loans from Sinopec Group Company and fellow subsidiaries | 36,694   | 37,598  |
| Deferred tax liabilities                                 | 7,792  | 7,294   |
| Provisions   | 23,754   | 21,591  |
| Other non-current liabilities                            | 6,049  | 5,534   |
| Total non-current liabilities                            | 179,966  | 196,535   |
|  | 597,349  | 548,036   |
| <b>Equity</b>  |  |   |
| Share capital  | 116,565  | 86,820  |
| Reserves   | 437,565  | 424,094   |
| Total equity attributable to owners of the Company       | 554,130  | 510,914   |
| Non-controlling interests                                | 43,219   | 37,122  |
| Total equity   | 597,349  | 548,036   |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

|  | Note | Nine-month periods ended 30      |                     |
|--|------|----------------------------------|---------------------|
|  |      | September<br>2013<br>RMB million | 2012<br>RMB million |
| 3. Consolidated Statement of Cash Flow (unaudited)                                   |      |                                  |                     |
| Net cash generated from operating activities   | (a)  | 79,612                           | 73,327              |
| Investing activities   |      |                                  |                     |
| Capital expenditure  |      | (92,602 )                        | (88,570 )           |
| Exploratory wells expenditure  |      | (5,410 )                         | (6,619 )            |
| Purchase of investments, investments in associates and investments in joint ventures |      | (28,109 )                        | (5,609 )            |
| Proceeds from disposal of investments and investments in associates                  |      | 186                              | 1,459               |
| Proceeds from disposal of property, plant , equipment and other non-current assets   |      | 980                              | 240                 |
| Decrease/(increase) in time deposits with maturities over three months               |      | 361                              | (87 )               |
| Interest received  |      | 969                              | 1,073               |
| Investment and dividend income received  |      | 1,233                            | 2,235               |
| Disposal/(purchase) of derivative financial instruments, net                         |      | 88                               | (668 )              |
| Net cash used in investing activities  |      | (122,304 )                       | (96,546 )           |
| Financing activities   |      |                                  |                     |
| Proceeds from bank and other loans   |      | 875,342                          | 649,940             |
| Repayments of bank and other loans   |      | (827,880 )                       | (607,572 )          |
| Proceeds from issuing shares   |      | 19,406                           | -                   |
| Contributions to subsidiaries from non-controlling interests                         |      | 12,303                           | 931                 |
| Dividends paid by the Company  |      | (28,067 )                        | (25,488 )           |
| Distributions by subsidiaries to non-controlling interests                           |      | (979 )                           | (920 )              |
| Interest paid  |      | (6,237 )                         | (4,117 )            |
| Acquisitions of non-controlling interests of subsidiaries                            |      | (22 )                            | (74 )               |
| Net cash generated from financing activities   |      | 43,866                           | 12,700              |
| Net increase/ (decrease) in cash and cash equivalents                                |      | 1,174                            | (10,519 )           |
| Cash and cash equivalents at 1 January   |      | 10,456                           | 24,647              |
| Effect of foreign currency exchange rate changes                                     |      | 419                              | 90                  |
| Cash and cash equivalents at 30 September  |      | 12,049                           | 14,218              |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 3. Consolidated Statement of Cash Flow (unaudited)(continued)

## Note to consolidated statement of Cash Flow

## (a) Reconciliation of profit before taxation to net cash generated from operating activities

|   | Nine-month periods ended 30<br>September |                     |
|---|--|---------------------|
|   | 2013<br>RMB million                      | 2012<br>RMB million |
| Operating activities  |  |                     |
| Profit before taxation  | 75,917                                   | 61,790              |
| Adjustments for:  |  |                     |
| Depreciation, depletion and amortisation  | 59,036                                   | 51,905              |
| Dry hole costs written off  | 4,226                                    | 7,125               |
| Share of profits from associates and joint ventures   | (1,456 )                                 | (513 )              |
| Investment income   | (82 )                                    | (127 )              |
| Interest income   | (969 )                                   | (1,073 )            |
| Interest expense  | 7,650                                    | 9,056               |
| (Gain) /loss on foreign currency exchange rate changes and derivative financial instruments | (1,206 )                                 | 235                 |
| Loss/(gain) on disposal of property, plant, equipment and other non-current assets, net     | 175                                      | (603 )              |
| Impairment losses on assets   | 34                                       | -                   |
| Unrealised gain on embedded derivative component of the convertible bonds, net              | (1,554 )                                 | (1,166 )            |
| Operating profit before change of operating capital   | 141,771                                  | 126,629             |
| Accounts receivable and other current assets  | (21,078 )                                | (23,104 )           |
| (Increase)/decrease inventories   | (6,865 )                                 | 5,618               |
| Accounts payable and other current liabilities  | (13,783 )                                | (18,304 )           |
|   | 100,045                                  | 90,839              |
| Income tax paid   | (20,433 )                                | (17,512 )           |
| Net cash generated from operating activities  | 79,612                                   | 73,327              |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 4. Segment Reporting (unaudited)

|                                       | Nine-month periods ended |             |
|---------------------------------------|--------------------------|-------------|
|                                       | 30 September             |             |
|                                       | 2013                     | 2012        |
|                                       | RMB                      | RMB         |
|                                       | million                  | million     |
| Turnover                              |                          |             |
| Exploration and production            |                          |             |
| External sales                        | 43,206                   | 39,135      |
| Inter-segment sales                   | 120,754                  | 131,405     |
|                                       | 163,960                  | 170,540     |
| Refining                              |                          |             |
| External sales                        | 144,518                  | 141,998     |
| Inter-segment sales                   | 825,885                  | 790,728     |
|                                       | 970,403                  | 932,726     |
| Marketing and distribution            |                          |             |
| External sales                        | 1,103,348                | 1,072,561   |
| Inter-segment sales                   | 4,931                    | 7,075       |
|                                       | 1,108,279                | 1,079,636   |
| Chemicals                             |                          |             |
| External sales                        | 274,601                  | 259,411     |
| Inter-segment sales                   | 41,331                   | 34,152      |
|                                       | 315,932                  | 293,563     |
| Corporate and others                  |                          |             |
| External sales                        | 543,744                  | 478,521     |
| Inter-segment sales                   | 473,329                  | 457,732     |
|                                       | 1,017,073                | 936,253     |
| Elimination of inter-segment sales    | (1,466,230 )             | (1,421,092) |
| Turnover                              | 2,109,417                | 1,991,626   |
| Other operating revenues              |                          |             |
| Exploration and production            | 12,753                   | 16,202      |
| Refining                              | 4,157                    | 4,082       |
| Marketing and distribution            | 7,631                    | 6,468       |
| Chemicals                             | 5,207                    | 5,532       |
| Corporate and others                  | 759                      | 856         |
| Other operating revenues              | 30,507                   | 33,140      |
| Turnover and other operating revenues | 2,139,924                | 2,024,766   |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

## 4. Segment Reporting (unaudited) (continued)

|  | Nine-month periods<br>ended 30 September |                        |
|--|--|------------------------|
|  | 2013<br>RMB<br>million                   | 2012<br>RMB<br>million |
| <b>Result</b>  |  |                        |
| Operating profit/(loss)  |  |                        |
| By segment   |  |                        |
| o Exploration and production   | 46,744                                   | 55,284                 |
| o Refining   | 6,656                                    | (15,475 )              |
| o Marketing and distribution   | 27,034                                   | 30,209                 |
| o Chemicals  | (59 )                                    | (292 )                 |
| o Corporate and others   | (1,374 )                                 | (843 )                 |
| o Elimination  | (713 )                                   | (615 )                 |
| <b>Total segment operating profit</b>  | <b>78,288</b>                            | <b>68,268</b>          |
| Share of profit from associates and jointly controlled entities                  |  |                        |
| o Exploration and production   | 158                                      | 220                    |
| o Refining   | (268 )                                   | (940 )                 |
| o Marketing and distribution   | 284                                      | 589                    |
| o Chemicals  | 345                                      | 4                      |
| o Corporate and others   | 937                                      | 640                    |
| <b>Aggregate share of profit from associates and jointly controlled entities</b> | <b>1,456</b>                             | <b>513</b>             |
| Investment income  |  |                        |
| o Exploration and production   | -  | 1                      |
| o Refining   | 11                                       | 13                     |
| o Marketing and distribution   | 56                                       | 93                     |
| o Chemicals  | -  | 14                     |
| o Corporate and others   | 15                                       | 6                      |
| <b>Aggregate investment income</b>   | <b>82</b>                                | <b>127</b>             |
| Net finance costs  | (3,909 )                                 | (7,118 )               |
| <b>Profit before taxation</b>  | <b>75,917</b>                            | <b>61,790</b>          |

C. Differences between Financial Statements prepared in accordance with the accounting policies complying with ASBE and IFRS (unaudited)

Other than the differences in the classifications of certain financial statements captions and the accounting for the items described below, there are no material differences between the Group's financial statements prepared in accordance with accounting policies complying with ASBE and IFRS. The reconciliation presented below is included as supplemental information, is not required as part of the basic financial statements and does not include differences related to classification, display or disclosure. Such information has not been subject to independent audit or review. The major differences are:

(i) Government Grants

Under ASBE, grants from the government are credited to capital reserve if required by relevant governmental regulations. Under IFRS, government grants relating to the purchase of fixed assets are recognized as deferred income and are transferred to the income statement over the useful life of these assets.

(ii) Safety Production Fund

Under ASBE, safety production fund should be recognized in profit or loss with a corresponding change in reserve according to PRC regulations. Such reserve is reduced for expenses incurred for safety production purposes or, when safety production related fixed assets are purchased, is reduced by the purchased cost with a corresponding increase in the accumulated depreciation. Such fixed assets are not depreciated thereafter. Under IFRS, expense is recognized in profit or loss when incurred, and fixed assets are depreciated with applicable methods.

Effects of major differences between the net profit under ASBE and the profit for the period under IFRS are analysed as follows

|                                  |      | Nine-month periods ended 30 |             |
|----------------------------------|------|-----------------------------|-------------|
|                                  |      | September                   |             |
|                                  | Note | 2013                        | 2012        |
|                                  |      | RMB million                 | RMB million |
| Net profit under ASBE            |      | 54,969                      | 43,812      |
| Adjustments                      |      |                             |             |
| Government grants                | (i)  | 84                          | 77          |
| Safety production fund           | (ii) | 656                         | 862         |
| Profit for the period under IFRS |      | 55,709                      | 44,751      |

## China Petroleum &amp; Chemical Corporation The Third Quarterly Report for 2013

Effects of major differences between the shareholders' equity under ASBE and the total equity under IFRS are analysed as follows

|                                       | Note | As at 30<br>September<br>2013<br>RMB million | As at 31<br>December<br>2012<br>RMB million |
|---------------------------------------|------|--|---|
| Total Shareholder's equity under ASBE |      | 599,936                                      | 550,601                                     |
| Adjustments:                          |      |  |   |
| Government grants                     | (i)  | (1,639 )                                     | (1,723 )                                    |
| Safety production fund                | (ii) | (948 )                                       | (842 )                                      |
| Total equity under IFRS               |      | 597,349                                      | 548,036                                     |



SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

China Petroleum & Chemical Corporation

By: /s/ Huang Wensheng

Name: Huang Wensheng

Title: Secretary to the Board of  
Directors

Date: October 30, 2013