



China Aviation Oil (Singapore) Corporation Ltd  
中國航油（新加坡）股份有限公司

## **Proposed Acquisition Of 33% Interest In Shanghai Pudong International Airport Aviation Fuel Supply Corporation Ltd : Clarification Of News Report**

23/07/02

Further to our announcement today on the proposed acquisition ("Proposed Acquisition") by China Aviation Oil (Singapore) Corporation Ltd ("CAO") of the 33% interest in Shanghai Pudong International Airport Aviation Fuel Supply Corporation Ltd ("SPIA"), we would like to provide further clarification in response to a news article from Bloomberg quoting that the Proposed Acquisition may boost the profit of CAO by S\$20 million in year 2002.

We wish to clarify that the S\$20 million profit figure is not a term and condition of the Share Transfer Agreement entered into between CAO and China Aviation Oil Supply Corporation on 23 July 2002. Further, the S\$20 million profit figure mentioned represents CAO management's estimate of 33% of the net profit after tax of SPIA in 2002 taking into consideration its financial performance over the last 2 financial years and CAO management's assessment of SPIA's business prospects.

The actual contribution to CAO's net profit after tax in 2002 as a result of the Proposed Acquisition will depend on the actual performance of SPIA in 2002 and in this regard, there is no assurance as to the actual amount of profit contribution to CAO arising from the Proposed Acquisition. In addition, we will also take into account of the impact of goodwill amortisation arising from the Proposed Acquisition.