

CHINA PETROLEUM & CHEMICAL CORP
Form 6-K
November 02, 2015

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, 2015

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

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

82-_____.)

N/A

This Form 6-K consists of:

An announcement regarding the third quarterly report for 2015 of China Petroleum & Chemical Corporation (the “Registrant”), made by the Registrant on October 29, 2015.

Announcement 1

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CHINA PETROLEUM & CHEMICAL CORP
(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
Vice President and Secretary to the Board of Directors

Beijing, the PRC,
29 October 2015

As of the date of this announcement, directors of the Company are: Wang Yupu*, Li Chunguang#, Zhang Jianhua#, Wang Zhigang#, Dai Houliang#, Zhang Haichao#, Jiao Fangzheng#, Jiang Xiaoming+, Andrew Y. Yan+, Tang Min+ and Fan Gang+.

Executive Director

* Non-executive Director

+ Independent Non-executive Director

The Third Quarterly Report for 2015

China Petroleum & Chemical Corporation
The Third Quarterly Report for 2015

29 October, 2015
Beijing, China

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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 2015 (the “Quarterly Report”) was approved at the 3rd meeting of the Sixth Session of the Board of Directors of Sinopec Corp.. All the directors attended this meeting.

1.3 Mr. Wang Yupu, Chairman of the Board of Directors, Mr. Li Chunguang, Director and President, Mr. Wang Xinhua, Chief Financial Officer and Mr. Wang Dehua, Head of the Corporate Finance Department of Sinopec Corp. warrant the authenticity, accuracy and completeness of the financial statements contained in the Quarterly Report.

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

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2 Basic information of Sinopec Corp.

2.1 Principal Financial Data And Indicators

2.1.1 Principal Financial Data and Indicators Prepared in Accordance with PRC Accounting Standards for Business Enterprises (“ASBE”)

| | As at 30 September 2015 | As at 31 December 2014 | RMB million Changes from the end of the preceding year to the end of the reporting period (%) |
|--|-------------------------|------------------------|---|
| Total assets | 1,404,414 | 1,451,368 | (3.24) |
| Total equity attributable to equity shareholders of the Company | 675,496 | 594,483 | 13.63 |
| | Nine Months | | % |
| | 2015 | 2014 | |
| Net cash flow from operating activities | 116,593 | 108,247 | 7.71 |
| Operating income | 1,536,837 | 2,115,648 | (27.36) |
| Net profit attributable to equity shareholders of the Company | 25,848 | 51,169 | (49.49) |
| Net profit attributable to equity shareholders of the Company after deducting extraordinary gain/loss items | 24,677 | 49,317 | (49.96) |
| Weighted average return on net assets (%) | 4.05 | 8.71 | (4.66) percentage points |
| Basic earnings per share (RMB) | 0.214 | 0.438 | (51.14) |
| Diluted earnings per share (RMB) | 0.214 | 0.437 | (51.03) |

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| Extraordinary (gain)/loss items | Third Quarter 2015 RMB million | Nine Months 2015 RMB million |
|---|-----------------------------------|---------------------------------|
| Loss on disposal of non-current assets | 91 | 152 |
| Donations | 9 | 60 |
| Government grants | (995) | (2,313) |
| Gain on holding and disposal of various investments | 517 | (51) |
| Other extraordinary income and expenses, net | 141 | 418 |
| Subtotal | (237) | (1,734) |
| Tax effect | 60 | 434 |
| Total | (177) | (1,300) |
| Equity shareholders of the Company | (175) | (1,171) |
| Minority interests | (2) | (129) |

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

| | RMB million | | |
|--|-------------------------|------------------------|---|
| | As at 30 September 2015 | As at 31 December 2014 | Changes from the end of the preceding year to the end of the reporting period (%) |
| Total assets | 1,404,414 | 1,451,368 | (3.24) |
| Equity attributable to owners of the Company | 674,130 | 593,041 | 13.67 |
| | Nine Months | | % |
| | 2015 | 2014 | |
| Net cash generated from operating activities | 116,593 | 108,247 | 7.71 |

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| | | | |
|---|--------|--------|-----------------------------|
| Operating profit | 49,476 | 76,364 | (35.21) |
| Net profit attributable to equity shareholders of the Company | 27,030 | 51,798 | (47.82) |
| Basic earnings per share (RMB) | 0.224 | 0.444 | (49.55) |
| Diluted earnings per share (RMB) | 0.224 | 0.442 | (49.32) |
| Return on net assets (%) | 4.01 | 8.74 | (4.73) Percentage points |

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2.2 Total number of shareholders and top ten shareholders at the end of the reporting period

Total number of shareholders

84
sha

Top ten shareholders (Top ten shareholders holding shares without selling restrictions)

Name of shareholders

China Petrochemical Corporation

85

HKSCC (Nominees) Limited

25

1

50 易型开放式指数 基

人民人寿保险 分红 个险分

贾铁斌

信

建设 180 易型开放式指数 基

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

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2.3

Review of operating results

In the first three quarters of 2015, global economic recovery remained slow. China's GDP grew by 6.9%. International crude oil prices fluctuated at low level and continued to drop in the third quarter. Domestic refined oil product prices were adjusted timely in line with international crude oil prices with 5 consecutive cuts followed by one increase in the third quarter. Domestic apparent consumption of refined oil products grew by 2.6% over the same period of last year, driven by substantial increase of gasoline and kerosene consumption while diesel consumption dropped. Domestic demand for chemicals maintained a steady growth with ethylene equivalent consumption up by 3.2% compared with the same period of last year.

The Company, focusing on growth quality and profitability, through intensified analysis and forecasting of macro-economy and market trends, actively responded to the fluctuation of international crude oil price, fully leveraged the advantages across its integrated value chain, kept cost and expenses under control, and realised stable operations. In accordance with the ASBE and IFRS, net profit attributable to equity shareholders of the Company was RMB 25.848 billion and RMB 27.030 billion respectively in the first three quarters.

Exploration and Production: The Company took effective measures to cope with low oil prices, including optimising the exploration and production plans, setting up flexible investment decision making mechanism and cutting high-cost crude oil production. In exploration, we attained new discoveries in marine facies gas fields in western Sichuan. In development, Fuling shale gas and Yuanba gas projects progressed steadily. In the first three quarters, oil and gas production of the Company reached 350.82 million barrels of oil equivalent, down by 1.8%, out of which crude oil output dropped 2.4%, over the same period last year. Impacted by the sustained low crude oil price, Exploration and Production Segment had an operating loss of RMB 3.444 billion.

Refining: The Company optimised the crude oil allocation and processing plans, adjusted product slate and utilisation rate, and increased the yield of high value-added products, such as high-spec gasoline. We brought our scale advantages into full play to control the unit cost. We actively promoted the quality upgrading of refined oil products and provided high standard fuels to the market. We took our specialised business advantages to improve our dedicated marketing network. In the first three quarters, refinery throughput and refined oil products production increased by 1.4% and 2.9% respectively, among which gasoline up by 7.1%, jet fuel up by 17.2% and diesel down by 3.9% over the same period last year. Benefited by product yield optimisation and the refined oil product pricing mechanism improvement, Refining Segment had an operating profit of RMB 14.905 billion, up by 34.3% over the same period last year.

Marketing and Distribution: In light of the changes in supply and demand, the Company optimised marketing structure to increase retail volume and single station throughput. We accelerated the development of non-fuel business and its interaction with fuel business, promoted business cooperations and achieved volume and profit growth. We accelerated our transformation from an oil products supplier to a comprehensive service provider by using our network and brand advantages, upgrading the value creation capabilities of marketing network. In the first three quarters, total sales volume of refined oil products was 141 million tonnes,

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up by 1.9% over the same period last year. Total domestic sales volume of refined oil products was 127 million tonnes, up by 0.8%, of which retail volume reached 88.19 million tonnes, up by 1.9% over the same period last year. Transaction of non-fuel business reached RMB 19.2 billion, up by 66.7% compared with the same period last year. The operating profit of Marketing and Distribution Segment was RMB 21.5 billion, down by 18.7% over the same period last year.

Chemicals: The Company further optimised feedstock and product mix to achieve more cost-cutting and better efficiency. We put our efforts in R&D, production and marketing of new products, strengthened the coordination between R&D, production and marketing and maintained production volume growth of high value-added products, achieving better economic performance. The synthetic resin for special compound rate reached 59%, up by 1% and the synthetic fiber differentiation rate reached 81.8%, up by 5.7% over the same period last year. In the first three quarters, ethylene production reached 8.273 million tonnes, up by 5.3% and chemical sales volume was 45.38 million tonnes, up by 2.1% over the same period last year. Benefited by the structural adjustment, declining feedstock price and the competitive naphtha-based chemical products, the operating profit of Chemicals Segment was RMB 15.008 billion, up by RMB 18.524 billion over the same period last year.

Summary of Principal Operating Results for the First Three Quarters

| Operating data | Unit | For nine-month period ended 30 September | | Changes (%) |
|---|----------------------------|---|--------|----------------|
| | | 2015 | 2014 | |
| Exploration and production | | | | |
| Oil and gas production ¹ | million boe | 350.82 | 357.41 | (1.84) |
| Crude oil production | million barrels | 262.38 | 268.87 | (2.41) |
| China | million barrels | 222.42 | 232.51 | (4.34) |
| Overseas | million barrels | 39.96 | 36.36 | 9.90 |
| Natural gas production | billion cubic feet | 530.14 | 530.80 | (0.12) |
| Realized crude oil price | USD/barrel | 48.91 | 94.72 | (48.36) |
| Realized natural gas price | USD/thousand cubic feet | 7.12 | 7.05 | 0.99 |
| Refining ⁴ | | | | |
| Refinery throughput | million tonnes | 178.32 | 175.83 | 1.42 |
| Gasoline, diesel and kerosene production | million tonnes | 112.19 | 108.99 | 2.94 |
| Gasoline | million tonnes | 40.85 | 38.13 | 7.13 |
| Diesel | million tonnes | 53.32 | 55.50 | (3.93) |
| Kerosene | million tonnes | 18.01 | 15.37 | 17.18 |
| Light chemical feedstock | million tonnes | 29.40 | 29.70 | (1.01) |

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| | | | | |
|-------------------------------------|----------------|--------|--------|--------------------------|
| Light products yield | % | 76.62 | 76.65 | (0.03) percentage points |
| Refining yield | % | 94.78 | 94.66 | 0.12 percentage points |
| Marketing and Distribution | | | | |
| Total sales of refined oil products | million tonnes | 140.75 | 138.15 | 1.88 |

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| Operating data | Unit | For nine-month period ended 30 September | | Changes (%) |
|---|-----------------|---|--------|----------------|
| | | 2015 | 2014 | |
| Total domestic sales volume of refined oil products | million tonnes | 126.71 | 125.66 | 0.84 |
| Retail | million tonnes | 88.19 | 86.56 | 1.88 |
| Direct sales & Wholesale | million tonnes | 38.52 | 39.10 | (1.48) |
| Total number of Sinopec-branded service stations ² | stations | 30,500 | 30,551 | (0.17) |
| Company-operated | stations | 30,487 | 30,538 | (0.17) |
| Annualised average throughput per station ³ | tonnes/station | 3,857 | 3,799 | 1.53 |
| Chemicals ⁴ | | | | |
| Ethylene | thousand tonnes | 8,273 | 7,858 | 5.28 |
| Synthetic resin | thousand tonnes | 11,265 | 10,748 | 4.81 |
| Synthetic rubber | thousand tonnes | 668 | 725 | (7.86) |
| Monomers and polymers for synthetic fibre | thousand tonnes | 6,684 | 6,253 | 6.89 |
| Synthetic fibre | thousand tonnes | 967 | 986 | (1.93) |

Note:

1. Conversion: for domestic production of crude oil, 1 tonne = 7.1 barrels; for overseas production of crude oil, 1 tonne=7.20 barrels; for production of natural gas, 1 cubic meter = 35.31 cubic feet.
2. The number of service stations in 2014 was the number as at 31 December 2014.
3. Throughput per service station data was annualised.
4. Including 100% production of joint ventures.

Capital expenditure: The Company's capital expenditures were RMB 38.065 billion in the first three quarters. Capital expenditure for Exploration and Production Segment was RMB 20.542 billion, mainly for development in Shengli oilfield, Tahe oilfield and Sichuan Basin, development of Fuling shale gas, LNG projects in Guangxi and Tianjin, pipeline pressure boosting for Sichuan to East China Gas Transmission Project, Jinan-to-Qingdao Gas Transmission PipelineⅡProject and overseas projects. Capital expenditure for Refining Segment was RMB 4.950 billion, mainly for refinery revamping and gasoline and diesel quality upgrading projects in Qilu and Jiujiang refineries. Capital expenditure for Marketing and Distribution Segment was RMB 7.149 billion, mainly for developing and renovating service stations, building oil products pipelines, oil depots and other storage facilities, and specific projects for safety hazards rectification and vapor recovery. We newly developed 272 service stations in the first three quarters of 2015. Capital expenditure for Chemicals Segment was RMB 4.2 billion, mainly for coal chemical projects and the Wuhan ethylene project. Capital expenditure for Corporate and Others was RMB 1.224 billion, mainly for R&D facilities and IT projects.

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3 Significant events

3.1 Significant changes in major items contained in the consolidated financial statements prepared in accordance with ASBE and the reasons for such changes.

| Items of Consolidated Balance Sheet | 30 | 31 | Increase/(decrease) | | Major reasons for changes |
|-------------------------------------|----------------|---------------|---------------------|------------|---|
| | September 2015 | December 2014 | Amount | Percentage | |
| | RMB million | RMB million | RMB million | (%) | |
| Cash at bank and on hand | 57,173 | 10,100 | 47,073 | 466.1 | Mainly due to the capital injection to Sinopec Marketing Company from minority shareholder |
| Accounts receivable | 62,163 | 90,831 | (28,668) | (31.6) | Mainly due to the decline of international crude oil prices and decrease of unsettled volume of crude oil |
| Short-term loans | 89,977 | 166,688 | (76,711) | (46.0) | Mainly due to the decrease of the short-term US dollar loan |
| Accounts payable | 129,635 | 198,366 | (68,731) | (34.6) | Mainly due to the price decline of international crude oil and domestic refined oil products, and decrease of unsettled payment |
| Other payables | 55,756 | 103,302 | (47,546) | (46.0) | Mainly due to the decrease of unclosed or unsettled payment of derivatives, construction project and equipment |
| Capital reserve | 119,072 | 48,703 | 70,369 | 144.5 | Mainly due to the conversion of convertible bonds of the Company and the capital injection to Sinopec Marketing Company from minority shareholder |
| Minority interests | 110,025 | 52,612 | 57,413 | 109.1 | Mainly due to the capital injection to Sinopec Marketing Company from minority shareholder |

| Items of consolidated income statement | For | For | Increase/(decrease) | | Main reasons for changes |
|--|---|---|---------------------|------------|--------------------------|
| | nine-month period ended 30 September 2015 | nine-month period ended 30 September 2014 | Amount | Percentage | |

| | RMB million | RMB million | RMB million | (%) | |
|---------------------------------|----------------|----------------|----------------|--------|---|
| Operating costs | 1,217,056 | 1,803,729 | (586,673) | (32.5) | Mainly due to the decline of international crude oil prices in 2015 compared with the same period last year, and the price decline of raw and auxiliary materials |
| Impairment losses | 327 | 1,130 | (803) | (71.1) | Mainly due to RMB 1.1 billion provision for the impairment in fixed and intangible assets of Sinopec Yizheng Chemical Fibre in the same period last year |
| Loss from changes in fair value | (25) | (2,032) | 2,007 | (98.8) | Mainly due to the RMB 2.2 billion losses in fair value changes of derivatives embedded in convertible bonds of the Company in the same period last year |
| Non-operating income | 3,282 | 2,207 | 1,075 | 48.7 | Mainly due to the consumption tax rebate from outsourced naphtha for continuous production and subsidies for Fuling shale gas |

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| | | | | | |
|------------------------|--------|--------|----------|--------|---|
| Non-operating expenses | 1,595 | 2,189 | (594) | (27.1) | Mainly due to the decrease of the fixed assets disposal spending |
| Profit before taxation | 45,013 | 71,227 | (26,214) | (36.8) | Mainly due to the decline of international crude oil prices compared with the same period last year |
| Income tax expense | 10,464 | 17,624 | (7,160) | (40.6) | Mainly due to the decrease of profit compared with the same period last year |

3.2 Analysis of the significant event progress, influence and resolution.

Increase of A Share Shareholding in Sinopec Corp. by Sinopec Group

On 8 July 2015, Sinopec Corp. received a notice from China Petrochemical Corporation (“Sinopec Group”), the controlling shareholder of Sinopec Corp., that Sinopec Group proposes to increase its shareholding in Sinopec Corp. in its own name or through person(s) acting in concert on the secondary market during the next 12 months (from 8 July 2015, the Increase Plan Implementation Period) by up to an aggregate number of shares not exceeding 2% of the total issued share capital of Sinopec Corp. (including those shares increased on 8 July 2015).

As at the end of 9 July 2015, Sinopec Group has increased 72,000,000 shares in aggregate in the Increase Plan Implementation Period, representing 0.06% of the total issued share capital of Sinopec Corp. Immediately prior to the Increase of Shareholding, Sinopec Group directly or indirectly held a total of 86,273,821,101 shares of Sinopec Corp., representing 71.26% of the total issued share capital of Sinopec Corp.. Immediately following the above-mentioned increase of shareholding, Sinopec Group directly or indirectly held a total of 86,345,821,101 shares of Sinopec Corp., representing 71.32% of the total issued share capital of Sinopec Corp..

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

| Background | Type of Undertaking | Party | Contents | Term for performance | Whether bears deadline or not | Whether strictly performed or not |
|---|-------------------------------|---------------------------------|--|----------------------|-------------------------------|-----------------------------------|
| Undertakings related to Initial Public Offerings (IPOs) | Initial Public Offering (IPO) | China Petrochemical Corporation | 1 Compliance with the connected transaction agreements; 2 Solving the issues regarding the legality of land-use rights certificates and property ownership rights certificates within a specified period of time; | From June 22, 2001 | No | Yes |

- 3 Implementation of the Reorganization Agreement (please refer to the definition of “Reorganization Agreement” in the H share prospectus of Sinopec Corp.);
- 4 Granting licenses for intellectual property rights;
- 5 Avoiding competition within the same industry; and
- 6 Abandonment of business competition and conflicts of interest with Sinopec Corp.

| | | | | | |
|--------------------|---------------------------------|--|--|-----|-----|
| Other undertakings | China Petrochemical Corporation | Given that the majority of China Petrochemical Corporation’s refining business had been injected into Sinopec Corp., China Petrochemical Corporation made a commitment to dispose of its minor remaining refining business within five years to eliminate competition with Sinopec Corp. | Within five years, commencing October 27, 2010 | Yes | Yes |
|--------------------|---------------------------------|--|--|-----|-----|

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| Background | Type of Undertaking | Party | Contents | Term for performance | Whether bears deadline or not | Whether strictly performed or not |
|------------------------|---------------------|---------------------------------|---|--|-------------------------------|-----------------------------------|
| O t h e r undertakings | Other | China Petrochemical Corporation | China Petrochemical Corporation would dispose of its minor remaining chemicals business within five years in order to avoid competition with Sinopec Corp. in the chemicals business. | Within five years, commencing March 15, 2012 | Yes | Yes |
| O t h e r undertakings | Other | China Petrochemical Corporation | Given that China Petrochemical Corporation engages in the same or similar businesses as Sinopec Corp. with regard to the exploration and production of overseas petroleum and natural gas, China Petrochemical Corporation hereby grants a 10-year option to Sinopec Corp. with the following provisions: (i) after a thorough analysis from political, economic and other perspectives, Sinopec Corp. is entitled to require China Petrochemical Corporation to sell its overseas oil and gas assets owned as of the date of the undertaking and still in its possession upon Sinopec Corp.'s exercise of the option to Sinopec Corp.; (ii) in relation to the overseas oil and gas assets acquired by China Petrochemical Corporation after the issuance of the undertaking, within 10 years of the completion of such acquisition, after a thorough analysis from political, | 10 years after April 29, 2014 or the date when Sinopec Group acquires the assets | Yes | Yes |

economic and other perspectives, Sinopec Corp. is entitled to require China Petrochemical Corporation to sell these assets to Sinopec Corp.. China Petrochemical Corporation undertakes to transfer the assets as required by Sinopec Corp. under aforesaid items (i) and (ii) to Sinopec Corp., provided that the exercise of such option complies with applicable laws and regulations, contractual obligations and other procedural requirements.

Since 2010, Sinopec Group has earnestly fulfilled its commitments to eliminate competitions in refining business with Sinopec Corp. through: (1) injecting the related assets or equity interest of refining business into Sinopec Corp.; (2) providing most of the components as the intermediate feedstock to Sinopec Corp., and deliver the minor remaining by-products to Sinopec Corp. for marketing.

As of the end of the reporting period, Sinopec Corp. had no undertakings in respect of profits, asset injections or asset restructuring that had not been fulfilled, nor did Sinopec Corp. make any profit forecast in relation to any asset or project.

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3.4 This quarterly results announcement is published in both Chinese and English languages. In the event of any discrepancies, the Chinese version shall prevail.

By Order of the Board

Chairman

Wang Yupu

29 October 2015

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4. Appendix

4.1 Quarterly financial statements prepared under China Accounting Standards for Business Enterprises

Consolidated Balance Sheet
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| Items | As at 30 September 2015 | As at 31 December 2014 |
|-------------------------------------|----------------------------|---------------------------|
| Current assets | | |
| Cash at bank and on hand | 57,173 | 10,100 |
| Bills receivable | 13,688 | 13,963 |
| Accounts receivable | 62,163 | 90,831 |
| Prepayments | 5,321 | 3,780 |
| Other receivables | 23,580 | 29,251 |
| Inventories | 155,084 | 188,223 |
| Other current assets | 20,197 | 23,996 |
| Total current assets | 337,206 | 360,144 |
| Non-current assets | | |
| Available-for-sale financial assets | 1,281 | 868 |
| Long-term equity investments | 85,670 | 80,593 |
| Fixed assets | 690,675 | 703,485 |
| Construction in progress | 160,372 | 177,667 |
| Intangible assets | 78,402 | 78,681 |
| Goodwill | 6,281 | 6,281 |
| Long-term deferred expenses | 13,599 | 14,158 |
| Deferred tax assets | 7,171 | 6,979 |
| Other non-current assets | 23,757 | 22,512 |
| Total non-current assets | 1,067,208 | 1,091,224 |
| Total assets | 1,404,414 | 1,451,368 |
| Current liabilities | | |
| Short-term loans | 89,977 | 166,688 |
| Short-term debentures payable | 30,000 | - |
| Bills payable | 2,915 | 4,577 |

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| | | |
|--|---------|---------|
| Accounts payable | 129,635 | 198,366 |
| Advances from customers | 90,770 | 89,918 |
| Employee benefits payable | 3,781 | 839 |
| Taxes payable | 29,244 | 28,677 |
| Other payables | 55,756 | 103,302 |
| Non-current liabilities due within one year | 10,601 | 11,890 |
| Total current liabilities | 442,679 | 604,257 |

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Consolidated Balance Sheet (Continued)
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|--|-----------|-----------|
| Non-current liabilities： | | |
| Long-term loans | 57,619 | 67,426 |
| Debentures payable | 62,886 | 83,506 |
| Provisions | 31,572 | 29,715 |
| Deferred tax liabilities | 10,129 | 7,820 |
| Other non-current liabilities | 14,008 | 11,549 |
| Total non-current liabilities | 176,214 | 200,016 |
| Total liabilities | 618,893 | 804,273 |
| Shareholders' equity： | | |
| Share capital | 121,071 | 118,280 |
| Capital reserve | 119,072 | 48,703 |
| Other comprehensive income | (2,148) | (7,261) |
| Specific reserve | 1,597 | 491 |
| Surplus reserves | 193,552 | 193,552 |
| Retained earnings | 242,352 | 240,718 |
| Total equity attributable to shareholders of the Company | 675,496 | 594,483 |
| Minority interests | 110,025 | 52,612 |
| Total shareholders' equity | 785,521 | 647,095 |
| Total liabilities and shareholders' equity | 1,404,414 | 1,451,368 |

Wang Yupu
Chairman
(Legal representative)Li Chunguang
PresidentWang Xinhua
Chief Financial OfficerWang Dehua
Head of accounting
department

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Balance Sheet
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million Currency: RMB Type: unaudited | |
|--|--|---------------------------|
| | As at 30 September 2015 | As at 31 December 2014 |
| Current assets： | | |
| Cash at bank and on hand | 31,080 | 1,805 |
| Bills receivable | 879 | 176 |
| Accounts receivable | 25,041 | 25,031 |
| Prepayments | 2,073 | 1,962 |
| Other receivables | 72,480 | 201,234 |
| Inventories | 45,794 | 74,654 |
| Other current assets | 12,420 | 19,186 |
| Total current assets | 189,767 | 324,048 |
| Non-current assets： | | |
| Available-for-sale financial assets | 297 | 91 |
| Long-term equity investments | 222,421 | 189,631 |
| Fixed assets | 417,977 | 452,361 |
| Construction in progress | 76,234 | 100,543 |
| Intangible assets | 8,353 | 8,834 |
| Long-term deferred expenses | 2,145 | 2,547 |
| Other non-current assets | 11,934 | 2,767 |
| Total non-current assets | 739,361 | 756,774 |
| Total assets | 929,128 | 1,080,822 |
| Current liabilities： | | |
| Short-term loans | 27,548 | 57,749 |
| Short-term debentures payable | 30,000 | - |
| Bills payable | 1,783 | 2,933 |
| Accounts payable | 73,974 | 102,399 |
| Advances from customers | 3,358 | 3,926 |
| Employee benefits payable | 1,978 | 310 |
| Taxes payable | 18,498 | 19,883 |

| | | |
|--|---------|---------|
| Other payables | 94,270 | 198,144 |
| Non-current liabilities due within one year | 3,320 | 11,084 |
| Total current liabilities | 254,729 | 396,428 |

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Balance Sheet (Continued)
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|--|---------|-----------|
| Non-current liabilities： | | |
| Long-term loans | 55,271 | 55,202 |
| Debentures payable | 45,500 | 62,221 |
| Provisions | 27,250 | 25,830 |
| Deferred tax liabilities | 1,635 | 600 |
| Other non-current liabilities | 3,153 | 1,892 |
| Total non-current liabilities | 132,809 | 145,745 |
| Total liabilities | 387,538 | 542,173 |
| Shareholders' equity： | | |
| Share capital | 121,071 | 118,280 |
| Capital reserve | 68,716 | 54,690 |
| Other comprehensive income | 431 | (206) |
| Specific reserve | 826 | 232 |
| Surplus reserves | 193,552 | 193,552 |
| Retained earnings | 156,994 | 172,101 |
| Total shareholders' equity | 541,590 | 538,649 |
| Total liabilities and shareholders' equity | 929,128 | 1,080,822 |

Wang Yupu
Chairman
(Legal representative)Li Chunguang
PresidentWang Xinhua
Chief Financial OfficerWang Dehua
Head of accounting
department

The Third Quarterly Report for 2015

Consolidated Income Statement
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million | | Currency: RMB | | Type: unaudited |
|---|--|--|---|---|-----------------|
| | Three-month periods ended 30 September 2015 | Three-month periods ended 30 September 2014 | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 | |
| I. Total operating income | 496,475 | 759,476 | 1,536,837 | 2,115,648 | |
| II. Total operating costs | 492,486 | 737,141 | 1,498,136 | 2,048,659 | |
| Including: Operating costs | 397,323 | 655,680 | 1,217,056 | 1,803,729 | |
| Sales taxes and surcharges | 59,374 | 48,183 | 179,260 | 141,950 | |
| Selling and distribution expenses | 11,771 | 11,672 | 34,150 | 33,732 | |
| General and administrative expenses | 17,831 | 16,852 | 52,102 | 51,291 | |
| Financial expenses | 4,585 | 2,000 | 7,730 | 8,539 | |
| Exploration expenses, including dry holes | 1,480 | 2,736 | 7,511 | 8,288 | |
| Impairment losses | 122 | 18 | 327 | 1,130 | |
| Add: (Loss)/Gain from changes in fair value | (136) | 42 | (25) | (2,032) | |
| Investment income | 189 | 4,000 | 4,650 | 6,252 | |
| III. Operating profit | 4,042 | 26,377 | 43,326 | 71,209 | |
| Add: Non-operating income | 1,417 | 836 | 3,282 | 2,207 | |
| Less: Non-operating expenses | 662 | 588 | 1,595 | 2,189 | |
| IV. Profit before taxation | 4,797 | 26,625 | 45,013 | 71,227 | |
| Less: Income tax expense | 790 | 5,716 | 10,464 | 17,624 | |
| V. Net profit | 4,007 | 20,909 | 34,549 | 53,603 | |
| Attributable to: | | | | | |
| Equity shareholders of the Company | 1,421 | 19,739 | 25,848 | 51,169 | |
| Minority interests | 2,586 | 1,170 | 8,701 | 2,434 | |

The Third Quarterly Report for 2015

Consolidated Income Statement (Continued)
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| | | Units: million | Currency: RMB | Type: unaudited |
|---|---------------------------|--|--|-----------------|
| VI. Earnings per share | | | | |
| (i) Basic earnings per share (RMB Yuan) | 0.012 | 0.169 | 0.214 | 0.438 |
| (ii) Diluted earnings per share (RMB Yuan) | 0.012 | 0.169 | 0.214 | 0.437 |
| VII. Total other comprehensive income | 4,187 | (2,489) | 5,542 | (1,299) |
| Items that may be reclassified subsequently to profit or loss (after tax and reclassification adjustments): | | | | |
| Cash flow hedges | 2,602 | (687) | 4,082 | (551) |
| Available-for-sale financial assets | 12 | (1,908) | 48 | (1,281) |
| Share of other comprehensive (loss)/income of associates and jointly controlled entities | (27) | 115 | (145) | 151 |
| Foreign currency translation differences | 1,600 | (11) | 1,557 | 380 |
| Other | - | 2 | - | 2 |
| VIII. Total comprehensive income | 8,194 | 18,420 | 40,091 | 52,304 |
| Attributable to: | | | | |
| Equity shareholders of the Company | 4,727 | 17,243 | 30,961 | 49,695 |
| Minority interests | 3,467 | 1,177 | 9,130 | 2,609 |
| Wang Yupu Chairman (Legal representative) | Li Chunguang President | Wang Xinhua Chief Financial Officer | Wang Dehua Head of accounting department | |

The Third Quarterly Report for 2015

Income Statement
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million | | Currency: RMB | | Type: unaudited |
|---|--|--|---|---|-----------------|
| | Three-month periods ended 30 September 2015 | Three-month periods ended 30 September 2014 | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 | |
| I. Operating income | 209,774 | 291,470 | 648,093 | 961,463 | |
| Less: Operating costs | 154,794 | 230,906 | 472,638 | 762,680 | |
| Sales taxes and surcharges | 43,941 | 36,245 | 129,961 | 107,105 | |
| Selling and distribution expenses | 655 | 664 | 1,896 | 10,106 | |
| General and administrative expenses | 10,310 | 9,690 | 29,631 | 34,146 | |
| Financial expenses | 1,524 | 2,155 | 5,024 | 7,325 | |
| Exploration expenses, including dry holes | 1,476 | 2,724 | 7,486 | 8,256 | |
| Impairment losses | (2) | 74 | 96 | 69 | |
| Add: Gain/(Loss) from changes in fair value | 9 | 42 | (263) | (2,174) | |
| Investment income | 2,257 | 3,655 | 7,236 | 8,476 | |
| II. Operating profit | (658) | 12,709 | 8,334 | 38,078 | |
| Add: Non-operating income | 999 | 503 | 2,100 | 3,433 | |
| Less: Non-operating expenses | 251 | 332 | 722 | 949 | |
| III. Profit before taxation | 90 | 12,880 | 9,712 | 40,562 | |
| Less: Income tax expense | (804) | 2,446 | 605 | 8,285 | |
| IV. Net profit | 894 | 10,434 | 9,107 | 32,277 | |
| V. Total other comprehensive income | 147 | (1,794) | 637 | (1,160) | |
| Items that may be reclassified subsequently to profit or loss (after tax and reclassification adjustments): | | | | | |
| Cash flow hedges | 222 | - | 713 | - | |
| Available-for-sale financial assets | - | (1,908) | - | (1,309) | |
| Share of other comprehensive (loss)/income in associates | (75) | 114 | (76) | 149 | |
| VI. Total comprehensive income | 1,041 | 8,640 | 9,744 | 31,117 | |

Wang Yupu
ChairmanLi Chunguang
PresidentWang Xinhua
Chief Financial Officer

Wang Dehua

(Legal representative)

Head of accounting
department

The Third Quarterly Report for 2015

Consolidated Cash Flow Statement
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million | Currency: RMB | Type: unaudited |
|---|----------------|---------------|--|
| | | | Nine-month periods ended 30 September 2015 |
| I. Cash flows from operating activities | | | |
| Cash received from sale of goods and rendering of services | | 1,757,763 | 2,322,186 |
| Refund of taxes and levies | | 2,483 | 1,156 |
| Other cash received relating to operating activities | | 76,745 | 25,128 |
| Sub-total of cash inflows | | 1,836,991 | 2,348,470 |
| Cash paid for goods and services | | (1,331,547) | (1,934,384) |
| Cash paid to and for employees | | (37,946) | (38,619) |
| Payments of taxes and levies | | (250,477) | (219,233) |
| Other cash paid relating to operating activities | | (100,428) | (47,987) |
| Sub-total of cash outflows | | (1,720,398) | (2,240,223) |
| Net cash flow from operating activities | | 116,593 | 108,247 |
| II. Cash flows from investing activities | | | |
| Cash received from disposal of investments | | 1,253 | 3,564 |
| Cash received from returns on investments | | 2,289 | 1,443 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | 413 | 547 |
| Other cash received relating to investing activities | | 4,685 | 1,367 |
| Sub-total of cash inflows | | 8,640 | 6,921 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | | (71,363) | (84,649) |
| Cash paid for acquisition of investments | | (8,382) | (8,276) |
| Other cash paid relating to investing activities | | (3,104) | (1,137) |
| Sub-total of cash outflows | | (82,849) | (94,062) |
| Net cash flow from investing activities | | (74,209) | (87,141) |

The Third Quarterly Report for 2015

Consolidated Cash Flow Statement (Continued)
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|--|-----------|-----------|
| III.Cash flows from financing activities | | |
| Cash received from capital contributions | 105,681 | 2,701 |
| Including: Cash received from minority shareholders' capital contributions to subsidiaries | 105,681 | 2,701 |
| Cash received from borrowings | 863,620 | 799,899 |
| Sub-total of cash inflows | 969,301 | 802,600 |
| Cash repayments of borrowings | (933,811) | (782,212) |
| Cash paid for dividends, profits distribution or interest | (30,726) | (36,742) |
| Including: Subsidiaries' cash payments for distribution of dividends or profits to minority shareholders | (736) | (1,337) |
| Other cash paid relating to financing activities | - | (18) |
| Sub-total of cash outflows | (964,537) | (818,972) |
| Net cash flow from financing activities | 4,764 | (16,372) |
| IV.Effects of changes in foreign exchange rate | 7 | 148 |
| V.Net increase in cash and cash equivalents | 47,155 | 4,882 |
| Add:Cash and cash equivalents at 1 January | 9,355 | 15,046 |
| VI. Cash and cash equivalents at 30 September | 56,510 | 19,928 |

Wang Yupu
Chairman
(Legal representative)Li Chunguang
PresidentWang Xinhua
Chief Financial OfficerWang Dehua
Head of accounting
department

The Third Quarterly Report for 2015

Cash Flow Statement
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million | Currency: RMB | Type: unaudited |
|---|--|--|-----------------|
| | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 | |
| I. Cash flows from operating activities | | | |
| Cash received from sale of goods and rendering of services | 750,466 | | 1,121,329 |
| Refund of taxes and levies | 1,750 | | 731 |
| Other cash received relating to operating activities | 52,793 | | 73,775 |
| Sub-total of cash inflows | 805,009 | | 1,195,835 |
| Cash paid for goods and services | (506,489) | | (828,375) |
| Cash paid to and for employees | (24,195) | | (27,988) |
| Payments of taxes and levies | (164,251) | | (153,038) |
| Other cash paid relating to operating activities | (132,071) | | (65,876) |
| Sub-total of cash outflows | (827,006) | | (1,075,277) |
| Net cash flow from operating activities | (21,997) | | 120,558 |
| II. Cash flows from investing activities | | | |
| Cash received from disposal of investments | 138,514 | | 6,841 |
| Cash received from returns on investments | 5,400 | | 7,188 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 4,303 | | 1,210 |
| Other cash received relating to investing activities | 746 | | 38 |
| Sub-total of cash inflows | 148,963 | | 15,277 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | (45,251) | | (65,376) |
| Cash paid for acquisition of investments | (15,217) | | (30,414) |
| Sub-total of cash outflows | (60,468) | | (95,790) |
| Net cash flow from investing activities | 88,495 | | (80,513) |
| III. Cash flows from financing activities | | | |
| Cash received from borrowings | 192,992 | | 164,353 |
| Sub-total of cash inflows | 192,992 | | 164,353 |
| Cash repayments of borrowings | (201,029) | | (169,268) |

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| | | |
|---|-----------|-----------|
| Cash paid for dividends, profits distribution or interest | (29,185) | (33,978) |
| Sub-total of cash outflows | (230,214) | (203,246) |
| Net cash flow from financing activities | (37,222) | (38,893) |
| IV.Net increase in cash and cash equivalents | 29,276 | 1,152 |
| Add:Cash and cash equivalents at 1 January | 1,804 | 6,731 |
| V. Cash and cash equivalents at 30 September | 31,080 | 7,883 |

Wang Yupu
Chairman
(Legal representative)

Li Chunguang
President

Wang Xinhua
Chief Financial Officer

Wang Dehua
Head of accounting
department

The Third Quarterly Report for 2015

Segment Reporting
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million Currency: RMB Type: unaudited | |
|---|--|--|
| | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 |
| Income from principal operations | | |
| Exploration and production | | |
| External sales | 43,736 | 51,907 |
| Inter-segment sales | 56,341 | 111,136 |
| Subtotal | 100,077 | 163,043 |
| Refining | | |
| External sales | 92,725 | 136,199 |
| Inter-segment sales | 617,926 | 844,039 |
| Subtotal | 710,651 | 980,238 |
| Marketing and distribution | | |
| External sales | 826,408 | 1,107,473 |
| Inter-segment sales | 2,093 | 3,965 |
| Subtotal | 828,501 | 1,111,438 |
| Chemicals | | |
| External sales | 210,116 | 272,024 |
| Inter-segment sales | 32,504 | 48,812 |
| Subtotal | 242,620 | 320,836 |
| Corporate and others | | |
| External sales | 335,357 | 519,406 |
| Inter-segment sales | 266,259 | 457,020 |
| Subtotal | 601,616 | 976,426 |
| Elimination of inter-segment sales | (975,123) | (1,464,972) |
| Consolidated income from principal operations | 1,508,342 | 2,087,009 |
| Income from other operations | | |
| Exploration and production | 5,152 | 9,546 |
| Refining | 3,497 | 3,686 |
| Marketing and distribution | 12,641 | 8,701 |

| | | |
|---|-----------|-----------|
| Chemicals | 5,916 | 5,780 |
| Corporate and others | 1,289 | 926 |
| Consolidated income from other operations | 28,495 | 28,639 |
| Consolidated operating income | 1,536,837 | 2,115,648 |

The Third Quarterly Report for 2015

Segment Reporting (Continued)
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|---------------------------------|---------|---------|
| Operating profit/(loss) | | |
| By segment | | |
| Exploration and production | (4,332) | 41,558 |
| Refining | 13,205 | 10,669 |
| Marketing and distribution | 20,742 | 26,517 |
| Chemicals | 15,003 | (3,671) |
| Corporate and others | 831 | 344 |
| Elimination | 982 | 111 |
| Total segment operating profit | 46,431 | 75,528 |
| Investment income/(loss) | | |
| Exploration and production | (569) | 2,081 |
| Refining | 498 | (185) |
| Marketing and distribution | 1,273 | 910 |
| Chemicals | 2,498 | 143 |
| Corporate and others | 950 | 3,303 |
| Total segment investment income | 4,650 | 6,252 |
| Financial expenses | (7,730) | (8,539) |
| Loss from changes in fair value | (25) | (2,032) |
| Operating profit | 43,326 | 71,209 |
| Add: Non-operating income | 3,282 | 2,207 |
| Less: Non-operating expenses | 1,595 | 2,189 |
| Profit before taxation | 45,013 | 71,227 |

The Third Quarterly Report for 2015

4.2 Quarterly financial statements prepared under International Financial Reporting Standards (“IFRS”)

Consolidated Income Statement
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million Currency: RMB Type: unaudited | | | |
|---|--|--|---|---|
| | Three-month periods ended 30 September 2015 | Three-month periods ended 30 September 2014 | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 |
| Turnover and other operating revenues | | | | |
| Turnover | 486,650 | 748,845 | 1,508,342 | 2,087,009 |
| Other operating revenues | 9,825 | 10,631 | 28,495 | 28,639 |
| Subtotal | 496,475 | 759,476 | 1,536,837 | 2,115,648 |
| Operating expenses | | | | |
| Purchased crude oil, products and operating supplies and expenses | (372,298) | (632,067) | (1,142,729) | (1,731,856) |
| Selling, general and administrative expenses | (16,887) | (16,398) | (49,048) | (50,133) |
| Depreciation, depletion and amortization | (24,005) | (22,567) | (70,254) | (65,800) |
| Exploration expenses, including dry holes | (1,480) | (2,736) | (7,511) | (8,288) |
| Personnel expenses | (13,512) | (13,614) | (40,105) | (40,368) |
| Taxes other than income tax | (59,374) | (48,183) | (179,260) | (141,950) |
| Other operating income/(expense), net | 14 | 185 | 1,546 | (889) |
| Total operating expenses | (487,542) | (735,380) | (1,487,361) | (2,039,284) |
| Operating profit | 8,933 | 24,096 | 49,476 | 76,364 |
| Finance costs | | | | |
| Interest expense | (1,827) | (2,626) | (6,211) | (8,766) |
| Interest income | 1,091 | 360 | 2,169 | 1,236 |
| Gain/(Loss) on embedded derivative component of the convertible bonds | - | 42 | (259) | (2,180) |
| Foreign currency exchange (loss)/gain, net | (3,849) | 266 | (3,688) | (1,009) |
| Net finance costs | (4,585) | (1,958) | (7,989) | (10,719) |
| Investment income | 36 | 2,367 | 106 | 2,643 |
| Share of profits from associates and joint ventures | 676 | 1,633 | 4,749 | 3,609 |
| Profit before taxation | 5,060 | 26,138 | 46,342 | 71,897 |

| | | | | |
|-------------|-------|---------|----------|----------|
| Tax expense | (790) | (5,716) | (10,464) | (17,624) |
|-------------|-------|---------|----------|----------|

The Third Quarterly Report for 2015

Consolidated Income Statement (Continued)
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| | Units: million | Currency: RMB | Type: unaudited | |
|---------------------------------------|----------------|---------------|-----------------|--------|
| Profit for the period | 4,270 | 20,422 | 35,878 | 54,273 |
| Attributable to： | | | | |
| Owners of the Company | 1,636 | 19,255 | 27,030 | 51,798 |
| Non-controlling interests | 2,634 | 1,167 | 8,848 | 2,475 |
| Profit for the period | 4,270 | 20,422 | 35,878 | 54,273 |
| Earnings per share | | | | |
| Basic earnings per share (RMB Yuan) | 0.013 | 0.165 | 0.224 | 0.444 |
| Diluted earnings per share (RMB Yuan) | 0.013 | 0.165 | 0.224 | 0.442 |

The Third Quarterly Report for 2015

Consolidated Statement of Comprehensive Income
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| | Units: million | Currency: RMB | Type: unaudited |
|--|----------------|---------------|-----------------|
| Profit for the period | 4,270 | 20,422 | 35,878 54,273 |
| Total other comprehensive income | 4,187 | (2,489) | 5,542 (1,299) |
| Items that may be reclassified subsequently to profit or loss(after tax and reclassification adjustments): | | | |
| Cash flow hedges | 2,602 | (687) | 4,082 (551) |
| Available-for-sale securities | 12 | (1,908) | 48 (1,281) |
| Share of other comprehensive (loss)/income of associates and joint ventures | (27) | 115 | (145) 151 |
| Foreign currency translation differences | 1,600 | (11) | 1,557 380 |
| Other | - | 2 | - 2 |
| Total comprehensive income | 8,457 | 17,933 | 41,420 52,974 |
| Attributable to: | | | |
| Owners of the Company | 4,942 | 16,759 | 32,143 50,324 |
| Non-controlling interests | 3,515 | 1,174 | 9,277 2,650 |

The Third Quarterly Report for 2015

Consolidated Balance Sheet
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited
As at 30 September 2015 As at 31 December 2014

| Items | As at 30 September 2015 | As at 31 December 2014 |
|--|-------------------------|------------------------|
| Non-current assets： | | |
| Property, plant and equipment, net | 690,675 | 703,485 |
| Construction in progress | 160,372 | 177,667 |
| Goodwill | 6,281 | 6,281 |
| Interest in associates | 35,556 | 32,119 |
| Interest in joint ventures | 50,114 | 48,474 |
| Available-for-sale financial assets | 1,281 | 868 |
| Deferred tax assets | 7,171 | 6,979 |
| Lease prepayments | 49,461 | 49,136 |
| Long-term prepayments and other non-current assets | 66,297 | 66,215 |
| Total non-current assets | 1,067,208 | 1,091,224 |
| Current assets: | | |
| Cash and cash equivalents | 56,510 | 9,355 |
| Time deposits with financial institutions | 663 | 745 |
| Trade accounts receivable | 62,163 | 90,831 |
| Bills receivable | 13,688 | 13,963 |
| Inventories | 155,084 | 188,223 |
| Prepaid expenses and other current assets | 49,098 | 57,027 |
| Total current assets | 337,206 | 360,144 |
| Current liabilities： | | |
| Short-term debts | 77,318 | 75,183 |
| Loans from Sinopec Group Company and fellow subsidiaries | 52,703 | 102,965 |
| Trade accounts payable | 129,635 | 198,366 |
| Bills payable | 2,915 | 4,577 |
| Accrued expenses and other payables | 179,293 | 222,075 |
| Income tax payable | 815 | 1,091 |
| Total current liabilities | 442,679 | 604,257 |
| Net current liabilities | (105,473) | (244,113) |

| | | |
|---------------------------------------|---------|---------|
| Total assets less current liabilities | 961,735 | 847,111 |
|---------------------------------------|---------|---------|

The Third Quarterly Report for 2015

Consolidated Balance Sheet (Continued)
as at 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|--|---------|---------|
| Non-current liabilities | | |
| Long-term debts | 76,116 | 107,787 |
| Loans from Sinopec Group Company and fellow subsidiaries | 44,389 | 43,145 |
| Deferred tax liabilities | 10,129 | 7,820 |
| Provisions | 31,572 | 29,715 |
| Other long-term liabilities | 15,441 | 13,067 |
| Total non-current liabilities | 177,647 | 201,534 |
| Total net assets | 784,088 | 645,577 |
| Equity | | |
| Share capital | 121,071 | 118,280 |
| Reserves | 553,059 | 474,761 |
| Total equity attributable to owners of the Company | 674,130 | 593,041 |
| Non-controlling interests | 109,958 | 52,536 |
| Total equity | 784,088 | 645,577 |

The Third Quarterly Report for 2015

Consolidated Statement of Cash Flow
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million Currency: RMB Type: unaudited Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 |
|--|--|--|
| Net cash generated from operating activities(a) | 116,593 | 108,247 |
| Investing activities | | |
| Capital expenditure | (67,795) | (78,187) |
| Exploratory wells expenditure | (3,568) | (6,462) |
| Purchase of investments, investments in associates and investments in joint ventures | (8,382) | (8,276) |
| Proceeds from disposal of investments and investments in associates | 906 | 3,564 |
| Proceeds from disposal of property, plant, equipment and other non-current assets | 413 | 547 |
| Decrease/(increase) in time deposits with maturities over three months | 82 | (936) |
| Interest received | 1,846 | 1,166 |
| Investment and dividend income received | 2,289 | 1,443 |
| Net cash used in investing activities | (74,209) | (87,141) |
| Financing activities | | |
| Proceeds from bank and other loans | 863,620 | 799,899 |
| Repayments of bank and other loans | (933,811) | (782,212) |
| Contributions to subsidiaries from non-controlling interests | 105,681 | 2,701 |
| Dividends paid by the Company | (24,214) | (28,031) |
| Distributions by subsidiaries to non-controlling interests | (736) | (1,337) |
| Interest paid | (5,776) | (7,374) |
| Transaction with non-controlling interests | - | (18) |
| Net cash generated from financing activities | 4,764 | (16,372) |
| Net increase in cash and cash equivalents | 47,148 | 4,734 |
| Cash and cash equivalents at 1 January | 9,355 | 15,046 |
| Effect of foreign currency exchange rate changes | 7 | 148 |
| Cash and cash equivalents at 30 September | 56,510 | 19,928 |

The Third Quarterly Report for 2015

Note to consolidated statement of Cash Flow

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

| Items | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 |
|---|--|--|
| Operating activities | | |
| Profit before taxation | 46,342 | 71,897 |
| Adjustments for: | | |
| Depreciation, depletion and amortisation | 70,254 | 65,800 |
| Dry hole costs written off | 5,277 | 5,200 |
| Share of profits from associates and joint ventures | (4,749) | (3,609) |
| Investment income | (106) | (2,643) |
| Interest income | (2,169) | (1,236) |
| Interest expense | 6,211 | 8,766 |
| Loss on foreign currency exchange rate changes and derivative financial instruments | 9,206 | 824 |
| Loss on disposal of property, plant, equipment and other non-currents assets, net | 152 | 790 |
| Impairment losses on assets | 327 | 1,130 |
| Loss on embedded derivative component of the convertible bonds | 259 | 2,180 |
| Operating profit before change of operating capital | 131,004 | 149,099 |
| Accounts receivable and other current assets | 32,023 | (22,416) |
| Inventories | 33,049 | (10,175) |
| Accounts payable and other current liabilities | (69,557) | 6,688 |
| Subtotal | 126,519 | 123,196 |
| Income tax paid | (9,926) | (14,949) |
| Net cash generated from operating activities | 116,593 | 108,247 |

The Third Quarterly Report for 2015

Segment Reporting
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

| Items | Units: million | Currency: RMB | Type: unaudited |
|------------------------------------|--|--|-----------------|
| | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 | |
| Turnover | | | |
| Exploration and production | | | |
| External sales | 43,736 | | 51,907 |
| Inter-segment sales | 56,341 | | 111,136 |
| Subtotal | 100,077 | | 163,043 |
| Refining | | | |
| External sales | 92,725 | | 136,199 |
| Inter-segment sales | 617,926 | | 844,039 |
| Subtotal | 710,651 | | 980,238 |
| Marketing and distribution | | | |
| External sales | 826,408 | | 1,107,473 |
| Inter-segment sales | 2,093 | | 3,965 |
| Subtotal | 828,501 | | 1,111,438 |
| Chemicals | | | |
| External sales | 210,116 | | 272,024 |
| Inter-segment sales | 32,504 | | 48,812 |
| Subtotal | 242,620 | | 320,836 |
| Corporate and others | | | |
| External sales | 335,357 | | 519,406 |
| Inter-segment sales | 266,259 | | 457,020 |
| Subtotal | 601,616 | | 976,426 |
| Elimination of inter-segment sales | (975,123) | | (1,464,972) |
| Turnover | 1,508,342 | | 2,087,009 |
| Other operating revenues | | | |
| Exploration and production | 5,152 | | 9,546 |
| Refining | 3,497 | | 3,686 |
| Marketing and distribution | 12,641 | | 8,701 |

| | | |
|---------------------------------------|-----------|-----------|
| Chemicals | 5,916 | 5,780 |
| Corporate and others | 1,289 | 926 |
| Other operating revenues | 28,495 | 28,639 |
| Turnover and other operating revenues | 1,536,837 | 2,115,648 |

The Third Quarterly Report for 2015

Segment Reporting (Continued)
for the nine-month periods ended 30 September 2015

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

| | | |
|---|---------|----------|
| Result | | |
| Operating profit/(loss) | | |
| By segment | | |
| Exploration and production | (3,444) | 41,748 |
| Refining | 14,905 | 11,102 |
| Marketing and distribution | 21,500 | 26,439 |
| Chemicals | 15,008 | (3,516) |
| Corporate and others | 525 | 480 |
| Elimination | 982 | 111 |
| Total segment operating profit | 49,476 | 76,364 |
| Share of profits from associates and joint ventures | | |
| Exploration and production | (566) | 2,080 |
| Refining | 487 | (189) |
| Marketing and distribution | 987 | 798 |
| Chemicals | 2,460 | (65) |
| Corporate and others | 1,381 | 985 |
| Aggregate share of profits from associates and joint ventures | 4,749 | 3,609 |
| Investment income | | |
| Exploration and production | (3) | 1 |
| Refining | (26) | 4 |
| Marketing and distribution | 80 | 112 |
| Chemicals | 38 | 208 |
| Corporate and others | 17 | 2,318 |
| Aggregate investment income | 106 | 2,643 |
| Net finance costs | (7,989) | (10,719) |
| Profit before taxation | 46,342 | 71,897 |

The Third Quarterly Report for 2015

4.3 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 consolidated financial statements prepared in accordance with the 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, presentation or disclosures. 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 recognised 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 recognised in profit or loss with a corresponding increase 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, payments are expensed as incurred, or capitalised as fixed assets and depreciated according to applicable depreciation methods.

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

Prepared by: China Petroleum & Chemical Corporation

| | Units: million | Currency: RMB | Type: unaudited |
|----------------------------------|---|---|-----------------|
| | Nine-month periods ended 30 September 2015 | Nine-month periods ended 30 September 2014 | |
| Net profit under ASBE | 34,549 | | 53,603 |
| Adjustments: | | | |
| Government grants (i) | 85 | | 87 |
| Safety production fund (ii) | 1,244 | | 583 |
| Profit for the period under IFRS | 35,878 | | 54,273 |

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

| | At 30 September 2015 | At 31 December 2014 |
|---------------------------------|----------------------|---------------------|
| Shareholders' equity under ASBE | 785,521 | 647,095 |

Adjustments:

| | | |
|-----------------------------|---------|---------|
| Government grants(i) | (1,433) | (1,518) |
| Safety production fund (ii) | - | - |
| Total equity under IFRS | 784,088 | 645,577 |

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, 2015