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中石化炼化工程(集團)股份有限公司
SINOPEC Engineering (Group) Co., Ltd.*

(a joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 2386)

VOLUNTARY ANNOUNCEMENT
TOTAL NEW CONTRACT VALUE AND BACKLOG

This announcement is made voluntarily by SINOPEC Engineering (Group) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”). The board of directors of the Company (the “**Board**”) is pleased to update shareholders of the Company and potential investors with certain information in connection with the representative new contracts entered into by the Group for the three months ended 30 September 2015, the total value of the new contracts for the nine months ended 30 September 2015 and the backlog as at 30 September 2015.

This announcement is made by the order of the Board. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made voluntarily by the Company. The Board is pleased to update shareholders of the Company and potential investors the following information.

During the nine months ended 30 September 2015, the total value of new contracts entered into by the Group amounted to RMB32.968 billion, representing a decrease of 31.2% as compared to RMB47.922 billion for the nine months ended 30 September 2014. As at 30 September 2015, the backlog of the Group amounted to RMB106.008 billion, representing a decrease of 4.4% as compared to RMB110.869 billion as at 30 June 2015.

New Contract Value and Backlog

Representative New Contracts

New contract value represents the value of the contracts the Group entered into during a specified period. The value of a contract is the amount that the Group expects to receive under the terms of the contract if the contract is performed in accordance with its terms. During the three months ended 30 September 2015, the total value of new contracts entered into by the Group amounted to RMB5.116 billion, and contracts that are representative are as follows:

1. a contract for Package I of the construction and installation of cracking unit for the Shenhua Ningxia project of the deep processing and comprehensive utilisation of coal chemicals by-products with Shenhua Ningxia Coal Industry Group Co., Ltd. The total contract value is approximately RMB 523 million;
2. a contract of engineering, procurement and construction (EPC) for Chongqing Fuling LNG plant with Chongqing Sinopec Tonghui Energy Co., Ltd. The total contract value is approximately RMB 448 million; and
3. a construction contract for the project of mechanical package of CDU/VDU in Saudi Arabian Jazan Refinery Project with Korean SK E&C Co., Ltd. The total contract value is USD 82 million (approximately RMB 520 million).

Backlog

Backlog represents the total estimated contract value of work that remains to be completed pursuant to outstanding contracts as at a certain date, net of estimated value added tax and is based on the Group's assumption that the relevant contracts will be performed in accordance with their terms. Backlog is not a measure defined by generally accepted accounting principles. Any modification, termination or suspension of these contracts by the Group's clients may have a substantial and immediate effect on the Group's backlog. Projects may also remain in the Group's backlog for an extended period of time beyond what was initially anticipated due to various factors beyond the Group's control.

The table below sets out the details of the total value of new contracts entered into by the Group and its backlog categorised by (1) business segments; (2) the industries in which the Group's clients operate; (3) regions; and (4) clients of each of (i) China Petrochemical Corporation (“**Sinopec Group**”) and its associates and (ii) the non-Sinopec Group and its associates during the periods or as at the date indicated:

	Total of New Contract Value For the nine months ended 30 September 2015		Backlog As at 30 September 2015	
	<i>(RMB thousand)</i>	<i>Percentage (%)</i>	<i>(RMB thousand)</i>	<i>Percentage (%)</i>
<i>Business segments</i>				
Engineering, Consulting and Licensing	2,676,903	8.1%	7,312,672	6.9%
EPC Contracting	19,652,509	59.6%	83,247,089	78.5%
Construction	10,575,313	32.1%	15,325,292	14.5%
Equipment Manufacturing	<u>63,030</u>	<u>0.2%</u>	<u>123,048</u>	<u>0.1%</u>
Total	<u><u>32,967,755</u></u>	<u><u>100%</u></u>	<u><u>106,008,101</u></u>	<u><u>100%</u></u>
<i>Industries in which the Group's clients operate</i>				
Oil Refining	2,890,466	8.8%	25,838,216	24.4%
Petrochemical	6,408,592	19.4%	21,244,586	20.0%
New Coal Chemicals	5,602,294	17.0%	39,493,337	37.3%
Other Industries	<u>18,066,403</u>	<u>54.8%</u>	<u>19,431,962</u>	<u>18.3%</u>
Total	<u><u>32,967,755</u></u>	<u><u>100%</u></u>	<u><u>106,008,101</u></u>	<u><u>100%</u></u>
<i>Regions</i>				
PRC	26,002,055	78.9%	76,974,486	72.6%
Overseas	<u>6,965,700</u>	<u>21.1%</u>	<u>29,033,615</u>	<u>27.4%</u>
Total	<u><u>32,967,755</u></u>	<u><u>100.0%</u></u>	<u><u>106,008,101</u></u>	<u><u>100.0%</u></u>
<i>Clients of each of (i) Sinopec Group and its associates and (ii) the non-Sinopec Group and its associates</i>				
Sinopec Group and its associates	19,073,213	57.9%	46,516,584	43.9%
Non-Sinopec Group and its associates	<u>13,894,542</u>	<u>42.1%</u>	<u>59,491,517</u>	<u>56.1%</u>
Total	<u><u>32,967,755</u></u>	<u><u>100.0%</u></u>	<u><u>106,008,101</u></u>	<u><u>100.0%</u></u>

The Board wishes to emphasise that the above information in relation to the representative new contracts, the total value of new contracts and backlog shall not constitute any forecast or prediction of the profits of the Group.

This announcement is made by the order of the Board. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SINOPEC ENGINEERING (GROUP) CO., LTD.
SANG Jinghua
Vice President and Secretary to the Board

Beijing, the PRC
14 October 2015

As at the date of this announcement, the Company's executive directors are LU Dong, YAN Shaochun, SUN Lili (employee representative director) and WU Derong (employee representative director); the non-executive directors are ZHANG Jianhua and LI Guoqing; and the independent non-executive directors are HUI Chui Chung, Stephen, JIN Yong and YE Zheng.

This announcement will be available on the website of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and on the website of the Company (www.segroup.cn).

** For identification purposes only.*