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COSL

中海油田服务股份有限公司
China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)
(Stock Code: 2883)

ANNOUNCEMENT
VOLUME OF BUSINESS AND CAPITAL EXPENDITURE FOR 2016

This announcement is made pursuant to Rule 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of China Oilfield Services Limited (the “**Board**”) wishes to announce the estimation on the volume of business and capital expenditure of China Oilfield Services Limited (the “**Company**”) for the financial year ending 31 December 2016.

As of this date of announcement published, with the low global oil prices and oil companies to scale back investment, oilfield service industry is of a surplus in supply. Under the background of this industry's overall downturn, the Company's volume of work and service prices are faced with varying degrees of pressure. The company expects that the revenue and operating profit in 2016 will decline to some extent compared with 2015.

Facing up to the market challenge, the Company will further develop its own comparative advantages, reining in costs when enhancing its market development, in order to get into a more favourable competitive market position. It is estimated that the capital expenditure of the Company for 2016 will be between RMB3,500,000,000 and RMB4,500,000,000 and will be mainly used in construction projects in process, which decreases by more than 40% of the capital expenditure of 2015 (between RMB6,500,000,000 and RMB7,500,000,000).

The above statements are based on the current operations of the Company and current market conditions. These statements are not guarantees of the Company's performance which are mainly dependent on the market and the financial environment. Investors are advised to take note of investment risks.

By order of the Board
China Oilfield Services Limited
Wang Baojun
Company Secretary

9 December 2015

As at the date hereof, the executive directors of the Company are Messrs. Li Yong and Li Feilong, the non-executive directors of the Company are Messrs. Liu Jian (Chairman) and Zeng Quan, and the independent non-executive directors of the Company are Messrs. Fong Wo, Felix, Law Hong Ping, Lawrence and Fong Chung, Mark.