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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 STRATEGIC GUIDANCE FOR 2019

This announcement is made by China Oilfield Services Limited (the “**Company**”) pursuant to Rules 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).

Based on the operation conditions of 2019, the board of directors of the Company (the “**Board**”) wishes to announce the strategic guidance of the Company for 2019 as follows:

After the volatility experienced in 2018, the international oil price has been increased; according to information from third-parties such as IHS, in 2019, whilst total capital expenditure of global oil and gas exploration and development continues to grow, the competitive landscape of the global oilfield service market has undergone profound changes, which sets higher requirements on the overall capability of oilfield service companies in tackling problems. At the same time, it is expected that investment in exploration and development in the domestic market will continue to increase in the next few years, and there is higher certainty on demand for enhancing reserve and productivity operation of traditional oil and gas. Under the background of growing demands in both the domestic and foreign markets, and benefiting from the Company's efforts in the innovation of technology, fleet structure optimization and enhancement in international competitiveness and enhancement in capability for the prevention and control of risks during the past two years, the Company strives to achieve better operation results and further strengthen its development quality in 2019. According to the current domestic and international orders on hand of the Company, it is expected that among the four major segments, workload of the drilling services segment and the well services segment will increase prominently as compared with the same period last year. Workload of the geophysical and surveying services segment will increase steadily while that of marine support services segment will be basically the same as that of last year.

In 2019, the overall competition in the oilfield services market is still fierce; the increased workload also poses challenges to our cost management. During the period, the Company will focus on and control the cost increase which caused by the increased workload, and will strive to improve the Company's

profitability through systematic cost reduction measures such as strengthen QHSE management, institutional reform, management process optimization, and boosting labor productivity. In 2019, the cash flow position of the Company is healthy. The Company will continue to strictly follow the practices of prudent capital investment and pay more attention to return to shareholders. It is estimated that the capital expenditure in 2019 will be approximately RMB3 billion.

The above strategic guidance is based on the current operations of the Company and current market conditions. This strategic guidance is not a guarantee of the Company's performance in 2019 which is mainly dependent on the market and the economic environment.

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

By Order of the Board
China Oilfield Services Limited
Jiang Ping
Company Secretary

23 January 2019

As at the date of this announcement, the executive directors of the Company are Messrs. Qi Meisheng (Chairman) and Cao Shujie; the non-executive directors of the Company are Messrs. Meng Jun and Zhang Wukui; and the independent non-executive directors of the Company are Messrs. Law Hong Ping, Lawrence, Fong Chung, Mark and Wong Kwai Huen, Albert.