Sinopec Oilfield Service Corporation

(a joint stock limited company established in the People's Republic of China)

(Stock code: 1033)

Inside Information
Expected loss for the six months ended 30 June 2016

The board of directors of the Company announces that according to preliminary calculations, the operational results of the Company is estimated to record a loss for the six months ended 30 June 2016, with net loss attributable to equity shareholders of the Company of approximately RMB 4,500 million in accordance with the PRC Accounting Standards for Business Enterprises.

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

This announcement is made by Sinopec Oilfield Service Corporation (the ''**Company**'') pursuant to Rule 13.09(2)(a) of Listing Rules 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 the Company announces expected loss of the Company as follows:

1. Estimated results for the six months ended 30 June 2016

(1) Period of estimated results: from 1 January 2016 to 30 June 2016.

(2) Estimated results: According to the preliminary calculations of the Company's accounting department, it is estimated that the operational results of the Company will record a loss for the six months ended 30 June 2016 and the net loss attributable to the

equity shareholders of the Company will be approximately RMB 4,500 million in accordance with the PRC Accounting Standards for Business Enterprises.

(3) The above estimates have not been reviewed or audited by any certified accountants.

2. Results for the corresponding period of the previous year

	Under the PRC Accounting Standards for Business Enterprises
Net loss attributable to equity shareholders of the Company	RMB 1,380,350,000
Basic loss per share	RMB 0.101

3. Explanation for the expected loss

During the six months ended 30 June 2016, international oil price continued to stay at a low level, and the domestic and international oil and gas companies continue to cut the expense on upstream exploration and development. Influenced by this, the global oilfield service industry is experiencing the continuous downturn，resulting in a sharp decline in the Company's workload in oilfield service sector and the decrease in the Company's service price, which in turn placed greater pressure on our business. Under such circumstances, the net loss attributable to the equity shareholders of the Company for the three months ended 31 March 2016 was RMB1,685 million, and the operating loss of the Company for the three months ended 30 June 2016 further enlarged. As a result, it is estimated that the net loss attributable to the equity shareholders of the Company will be approximately RMB4,500 million for the six months ended 30 June 2016.

4. Other information

The above estimated data was arrived at after preliminary calculations, and specific financial information in the interim report of 2016 to be formally disclosed by the Company shall prevail.

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

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For and on behalf of the Board of Directors
Li Honghai
Company Secretary
Beijing, PRC, 12 July 2016

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As at the date of this announcement, the Board of Directors comprises Mr. Jiao Fangzheng[+]*, Mr. Sun Qingde*[#]*, Mr. Zhou Shiliang*[#]*, Mr. Li Lianwu*[+]*, Mr. Zhang Hong*[+]*, Ms. Jiang Bo*, Mr. Zhang Huaqiao* and Mr. Pan Ying*.*

+   Non-Executive Director
 #   Executive Director
*   Independent Non-Executive Director