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## **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, 2015**

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 first half of 2015, with net loss attributable to equity shareholders of the Company of approximately RMB 1,380 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 first half of 2015**

(1) Period of estimated results: from 1 January 2015 to 30 June 2015.

(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 first half of 2015 and the net loss attributable to the equity shareholders of the Company will be approximately RMB 1,380 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 1,750,280,000
Basic loss per share	RMB 0.292

Note: The relevant data in the corresponding period of the previous year has been disclosed in the interim report of 2014 and has not been adjusted.

## **3. Explanation for the expected loss**

In the first half of 2015, the price of international crude oil still remained at a low level, international and domestic oil companies significantly reduced and slowed down capital expenditures of the upstream exploration and exploitation. Influenced by this, the global oilfield service sector is experiencing the continuous downturn, resulting in a sharp decline in the Company's operation volume and the decrease in the Company's service price, which in turn placed greater pressure on our business. Accordingly, it is estimated that the net loss attributable to the equity shareholders of the Company will be approximately RMB1,380 million in the first half of 2015.

Faced with this difficult environment of operation, the Company will comprehensively strengthen our operation and management, vigorously explore the market, accelerate the integration of internal resources, further strengthen cost control, rationalize investment scale and paces to speed up industrial transformation and upgrades, overcome the obstacles and difficulties, strive to improve the business performance and realize sustainable and sound development.

## **4. Other information**

The above estimated data was arrived at after preliminary calculations, and specific financial information in the interim report of 2015 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.**

For and on behalf of the Board of Directors

**Li Honghai**

Company Secretary

Beijing, PRC, 13 July 2015

*As at the date of this announcement, the Board of Directors comprises Mr. Jiao Fangzheng<sup>+</sup>, Mr. Yuan Zhengwen<sup>#</sup>, Mr. Zhu Ping<sup>#</sup>, Mr. Zhou Shiliang<sup>#</sup>, Mr. Li Lianwu<sup>+</sup>, Mr. Zhang Hong<sup>+</sup>, Ms. Jiang Bo\*, Mr. Zhang Huaqiao\* and Mr. Wong, Kennedy Ying Ho\*.*

*+ Non-Executive Director*

*# Executive Director*

*\* Independent Non-Executive Director*