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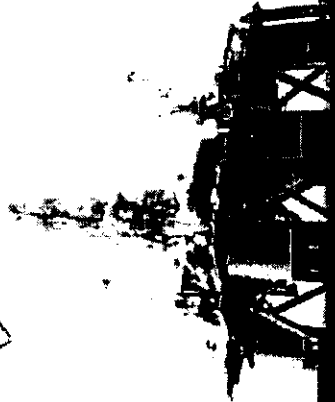


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China Oilfield Services Limited

Long Term Strategic Guidance

January 2007

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The information contained in our presentation is intended solely for your personal reference. In addition, such information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct.

Actual results may differ materially from those projected.

Agenda

1

Unique COSL

2

4-Y Post IPO Review

3

Outlook and Strategies

COSL³

The Unique COSL

COSL Unique

- The 1st listed integrated oilfield service company in Asia
- One of the very few integrated oilfield services companies in the world
- All-round services spanning across Exploration, development and production phases of oil and gas
- Leading position in the PRC market
- Remarkable performance among international peers

COSL International

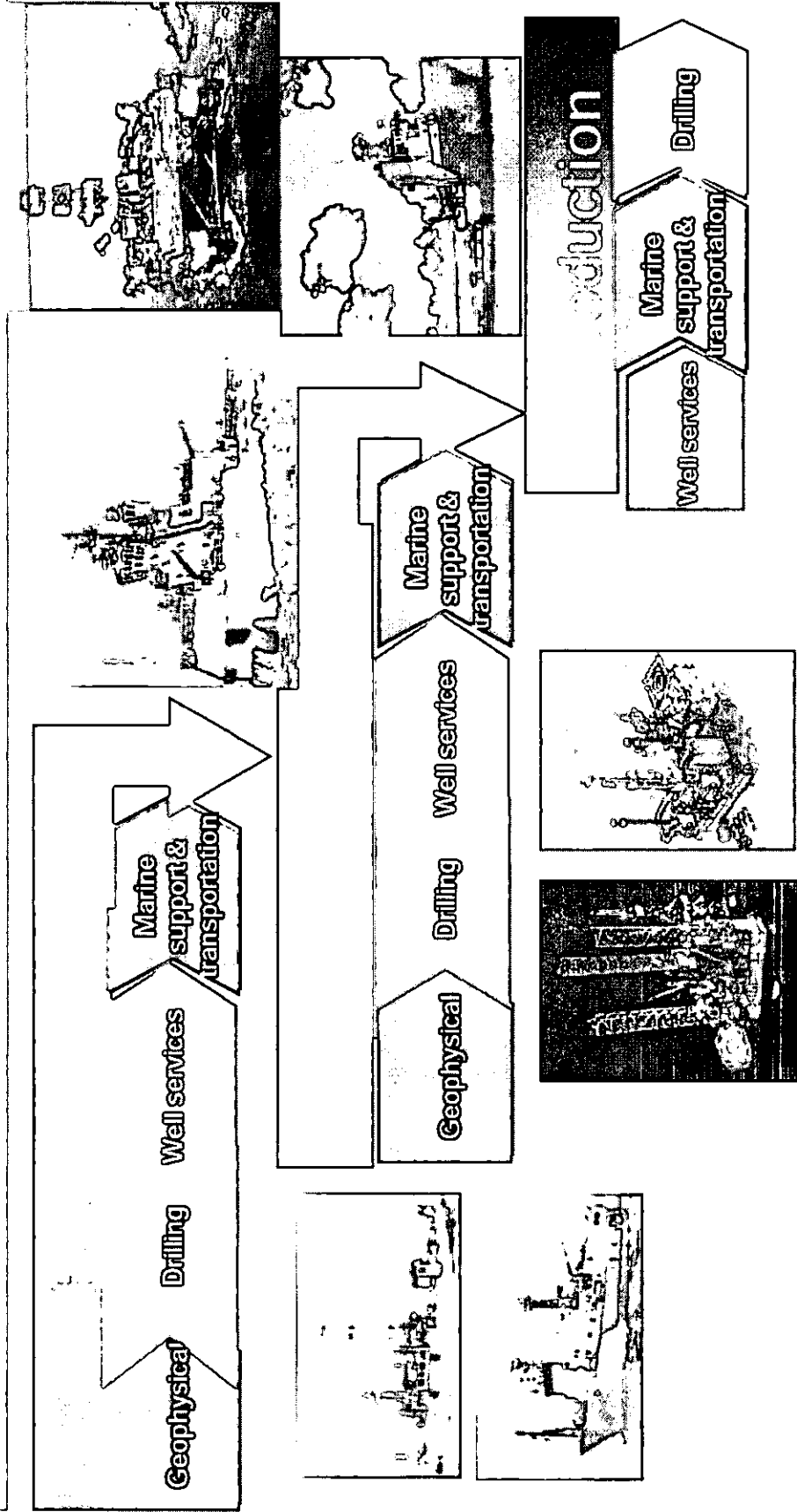
- Over 30 years of experiences in serving international oil companies
- Formed 7 joint-venture companies
- 11 years of experience in overseas operations
- Maintains the highest standard of QHSE

COSL Corp. Governance

- Stable, pragmatic, honest and credible; established a sound corporate governance structure
- Management team-over 20 years industry experiences , pledged to maximize values for shareholders
- Strong sense of social responsibility; creates win-win situation for shareholders, customers, employees and partners

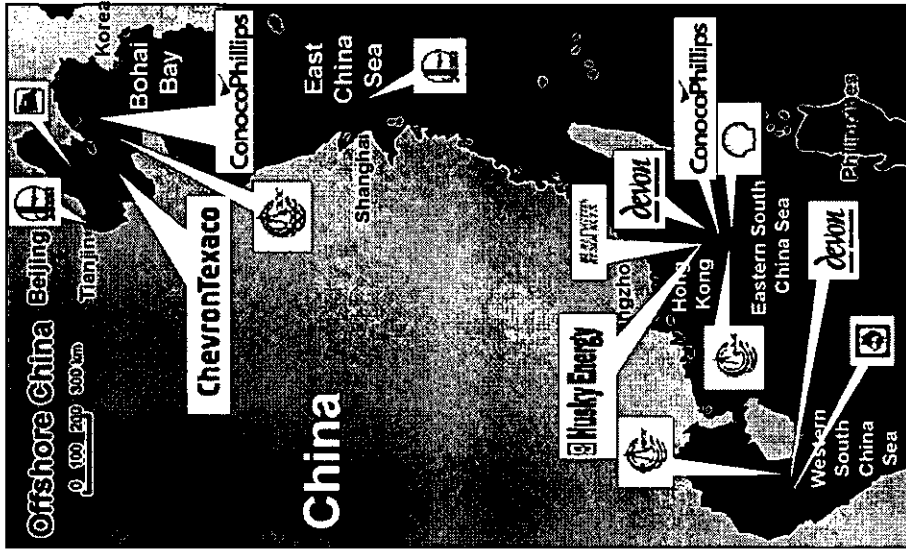
COSL⁴

Full-Round Services Chain

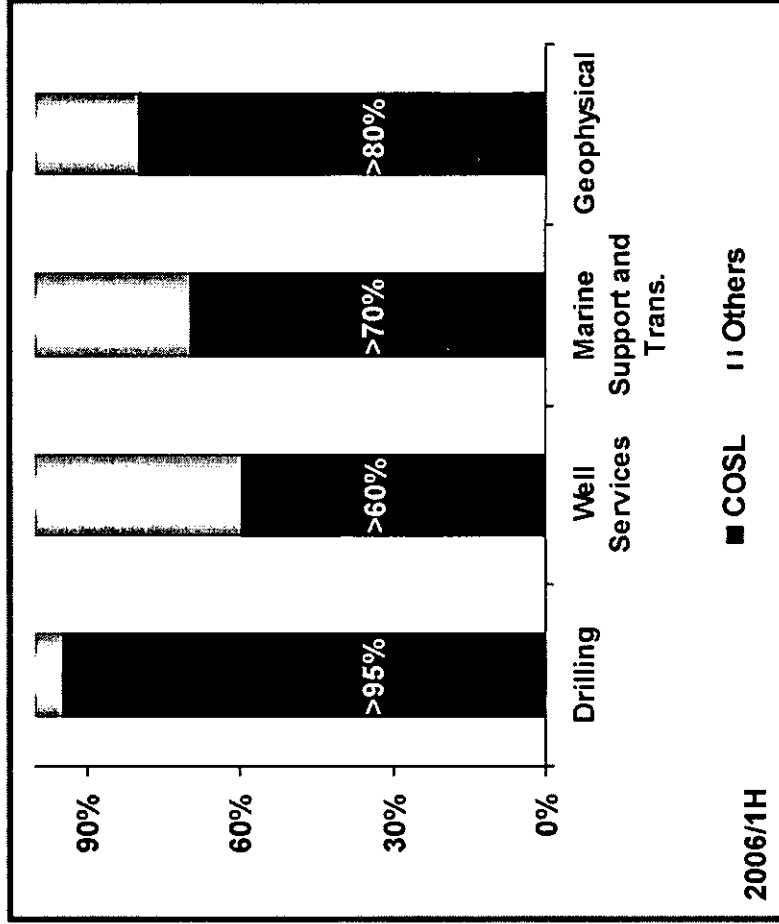


COSL provide full range oilfield services spanning across E&D&P.

Dominant Position



Market Share

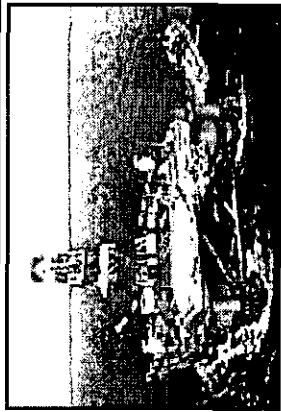


A Dominant Integrated Oilfield Services Company in China Offshore

COSL₆

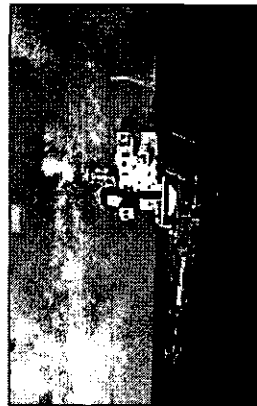
Business Segments

Drilling



12 jack-up + 3 semi-sub

Marine support & transportation



68 support vessels + 5 oil tankers +
1 chemical vessel

Well services



Full range of services

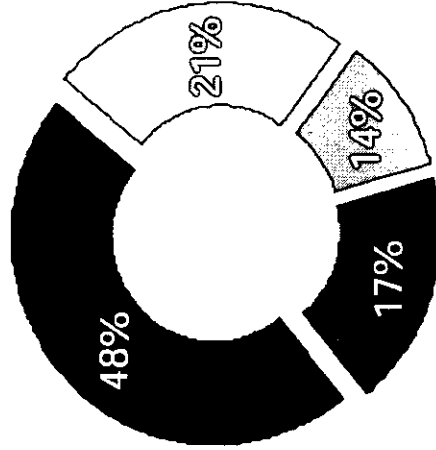
Geophysical



7 seismic vessels + 4 survey
vessels

Revenue breakdown

1H 2006



COSL₇

Robust & Stable Financial Growth

- 1H06/1H05, revenue increased 20.7%
- Operating profit & net profit Y-o-Y growth- 42.9% & 20.6% respectively

(RMB mm, except per share data)	2005	1H2005	1H2006	% Change
Revenue	4,789	2,372	2,864	△ 20.7%
EBITDA	1,641	880	1,171	△ 33.0%
Operating Profit	850	484	691	△ 42.9%
Net Profit	821	556	670	△ 20.6%
<i>EBITDA Margin</i>	34.3%	37.1 %	40.9%	
<i>Operating Profit Rate</i>	17.8%	20.4%	24.1%	
<i>Net Profit Rate</i>	17.1%	23.4%	23.4%	
<i>EPS (RMB cents)</i>	20.55	13.91	16.78	

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4-Y Post IPO Review

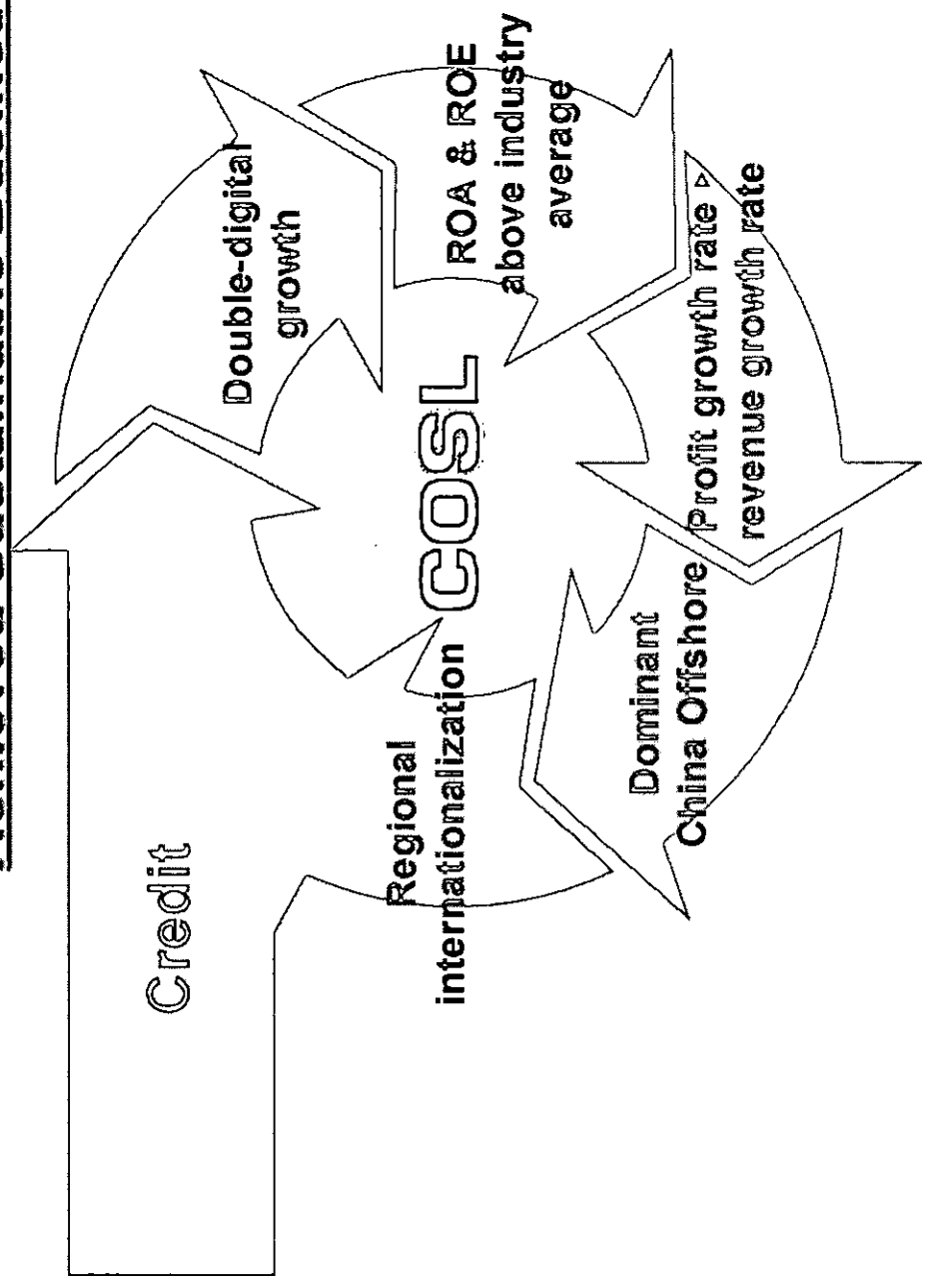
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Outlook and Strategies

COSL₉

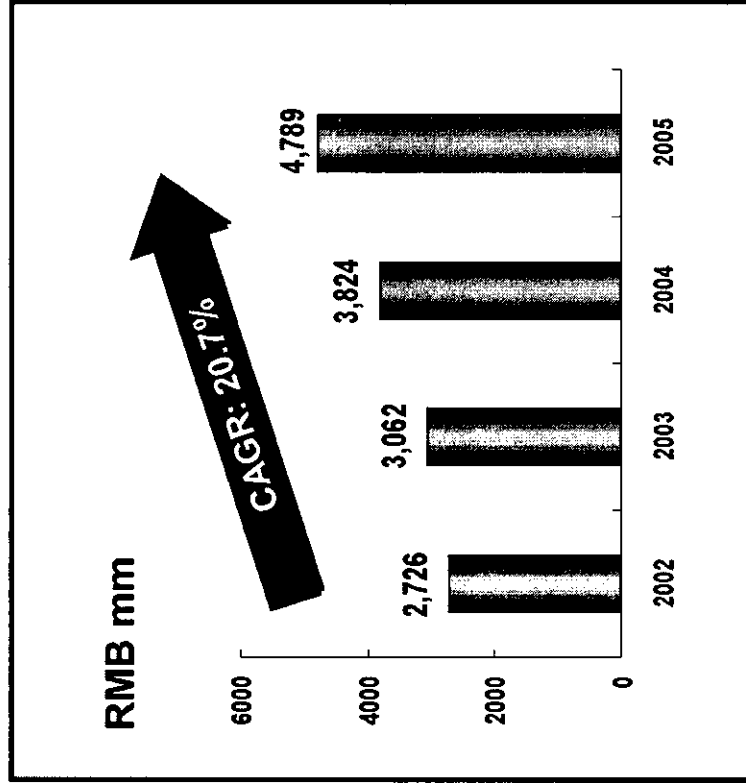
II 4-Y Post IPO Review

Highlight I. Realized Shareholder Commitment & Achieved Sustainable Business Growth

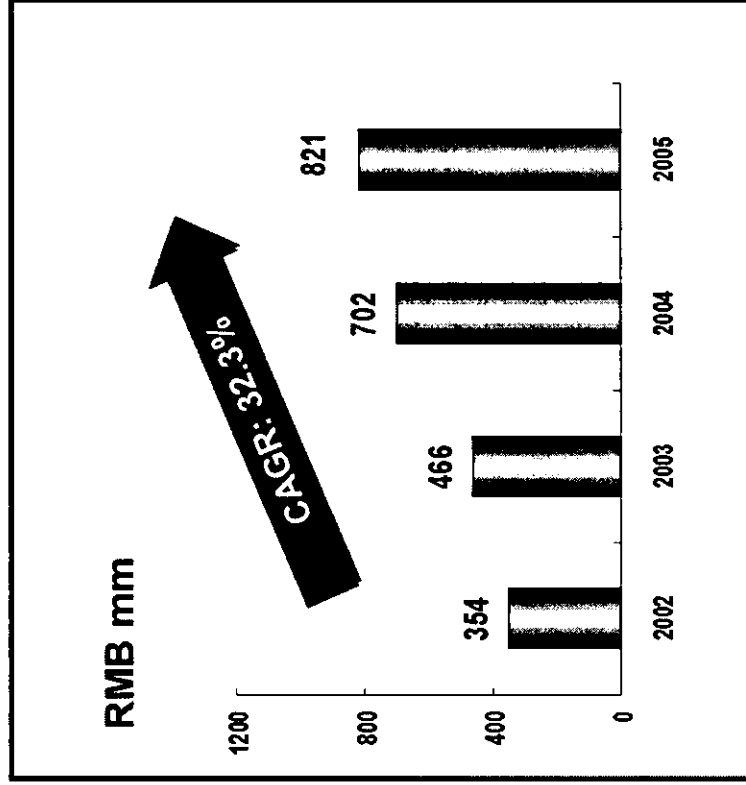


Solid Track Record

Revenue

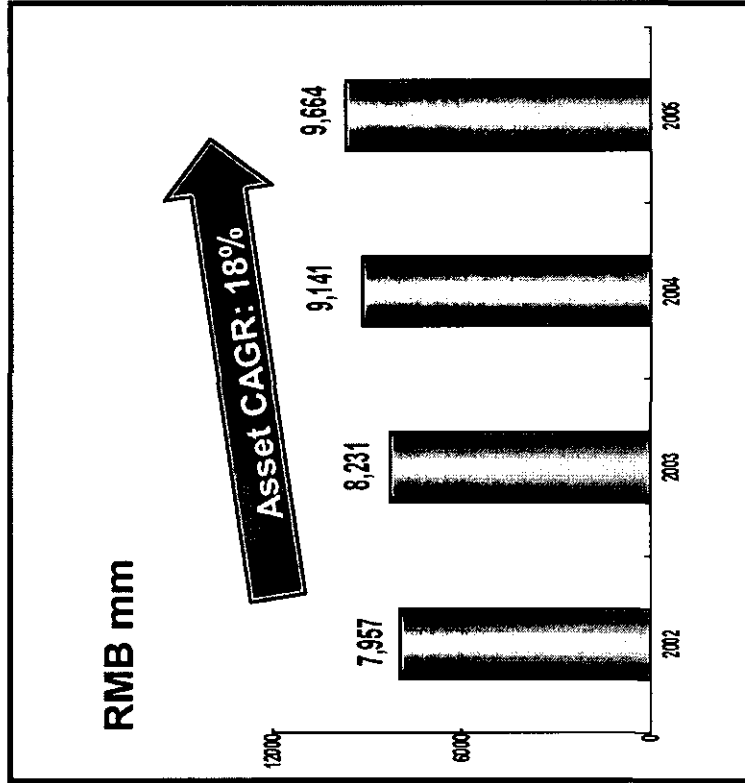


Net Profit

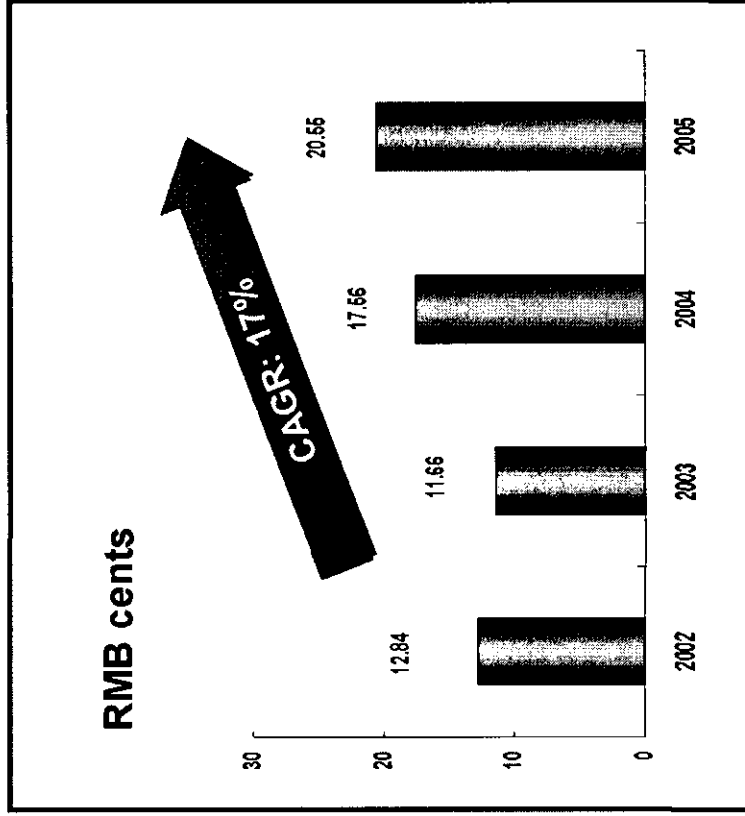


Solid Track Record

Total Assets

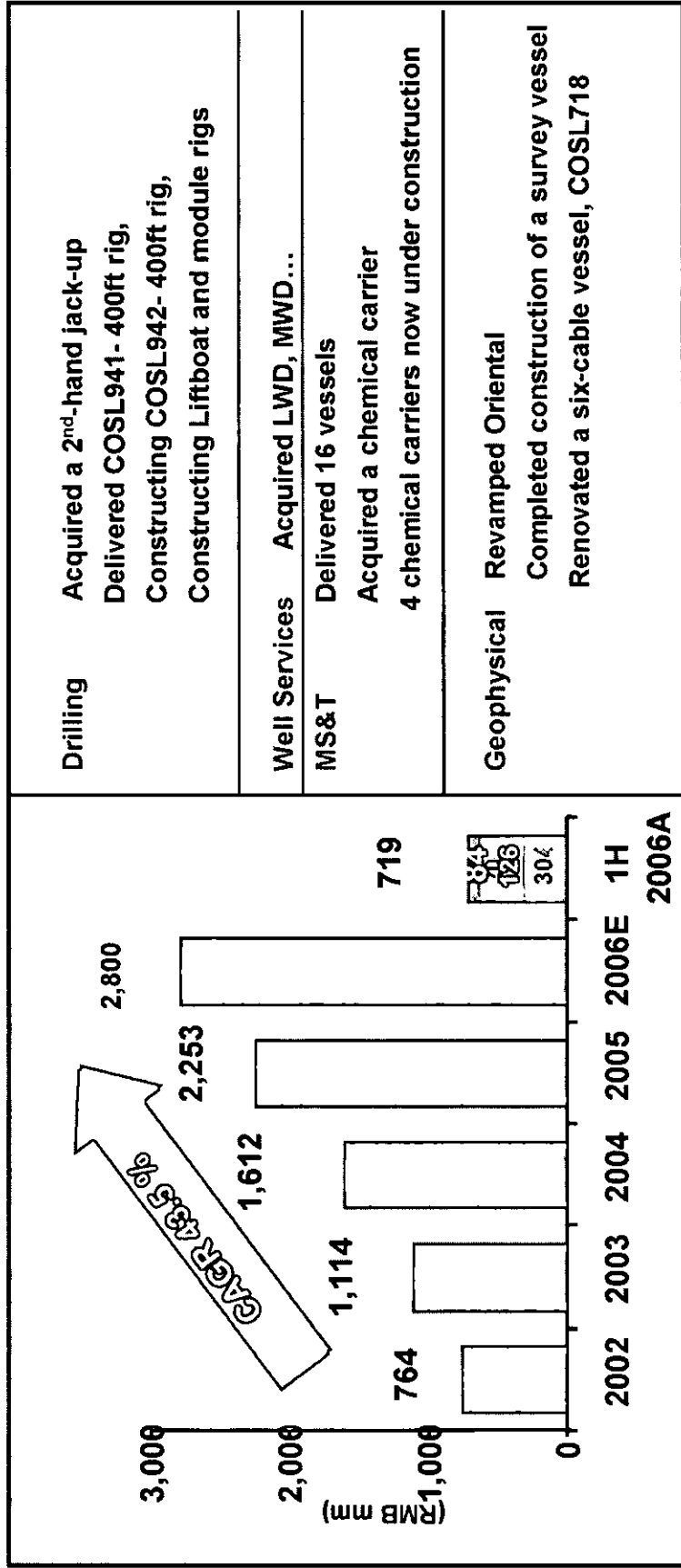


EPS



Historic CAPEX Record

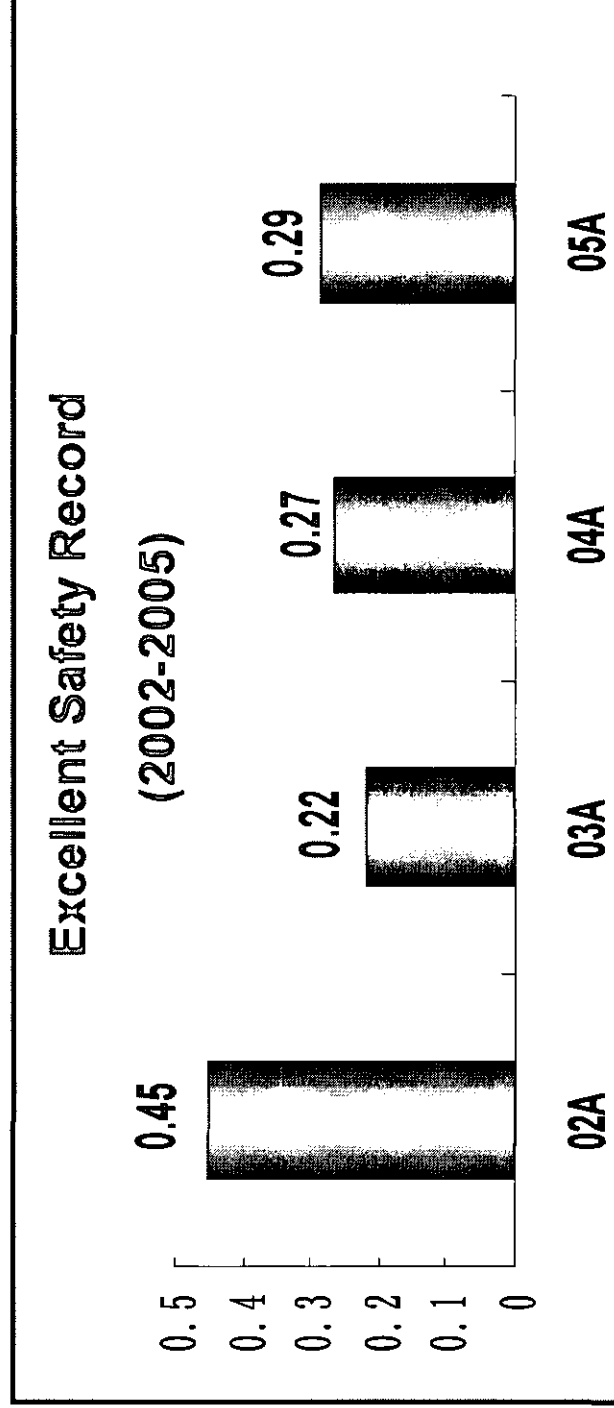
Highlight II. CAPEX Driven by Strong Demand



Over RMB 8 billion CAPEX upon to cope with industry development and strong market demand

QHSE System Secures

Highlight III – High-standard QHSE creates better working environment for employees



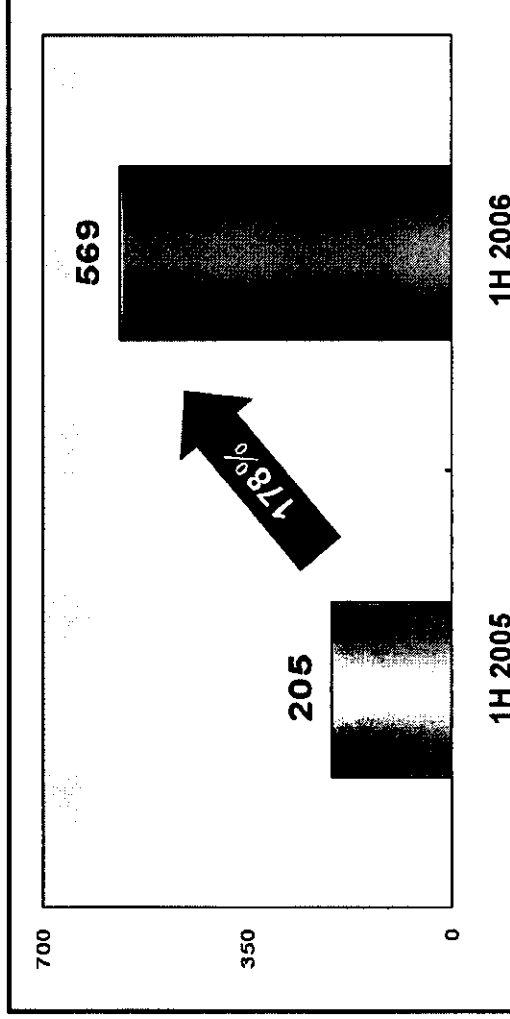
The occurrence of every safety issue per 200,000 man hours equivalent to 1 for the parameter. 1 represents a normal parameter while lower than 0.75 is regarded as excellent.

Successful Overseas Expansion

Highlight IV – Positive trend of customers diversification and market internalization

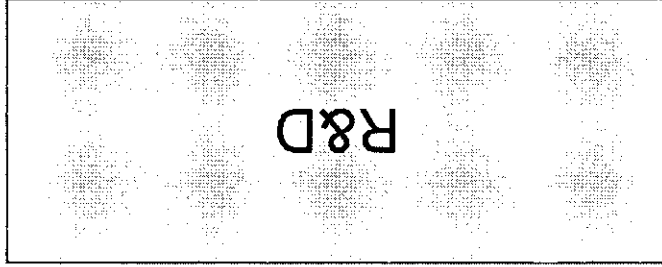
- Revenue from overseas operations increased from 9% to 20% by the end of 2005
- Continuous efforts in exploring onshore and shallow water oilfield markets
- Operations span across 13 countries and regions
- Breakthrough, solidifies COSL's brand name in overseas markets

Increasing contribution of overseas revenue



Breakthrough in R&D

Highlight V – Self-developed techniques achieved major breakthroughs



Obtained 12 “New Records for Chinese Enterprises” by “Genius”

Accumulated 101 patent applications and
owns 28 patents (including 7 for inventions)

Test for FCT drilling has passed the national 863 approval

R&D for ASDD deep-water drilling equipment
has been completed and entered pilot test stage

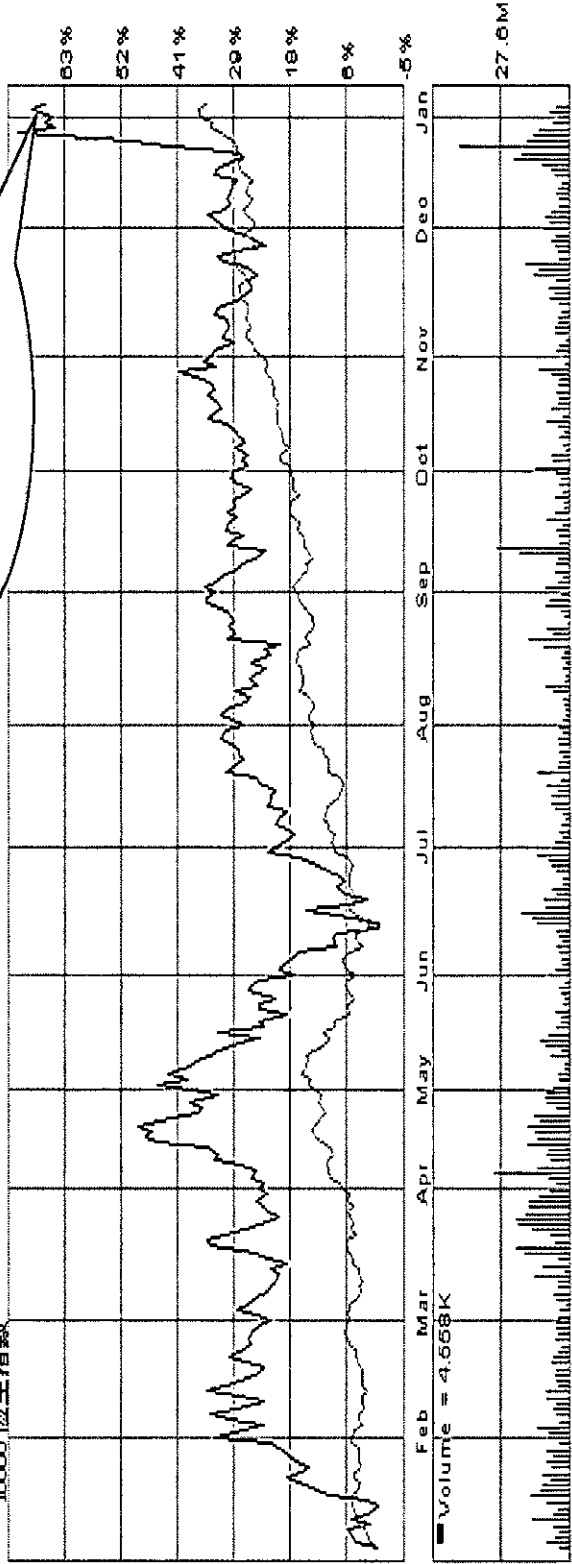
2006 Chinese Enterprise crowned for Creating New Records

Capital Market Performance

- ◇ 2002, Best Mid-cap IPO
- ◇ 2003, Selected as one of Asia's Top 10 Companies with Best Corp. Governance by Finance Asia
- ◇ 2003, Accredited with Asia's Top 10 Companies with "The Most Accessible Management"
- ◇ 2003, Accredited as One of the "Best Small Cap Companies" by Euro-Money
- ◇ 2005-07, Consecutively selected as one of S&P 30 Global Picks

中海油田服務 (2883)
 HK-Ex 延時日線圖 (一年)
 10000 恆生指數

06 last trading day: HK\$5.4



□ COSL □ HSI

Agenda

1

Unique COSL

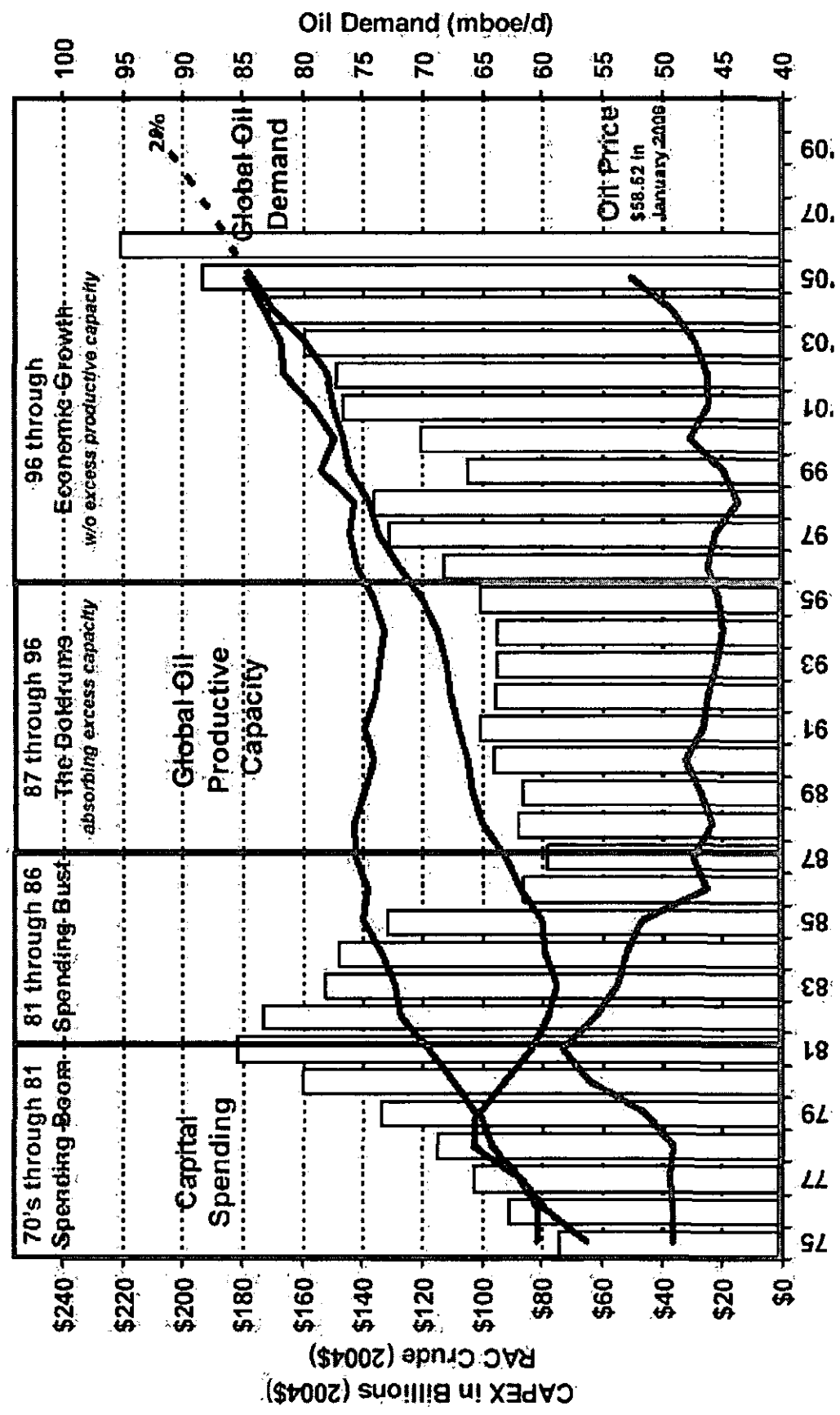
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4-Y Post IPO Review

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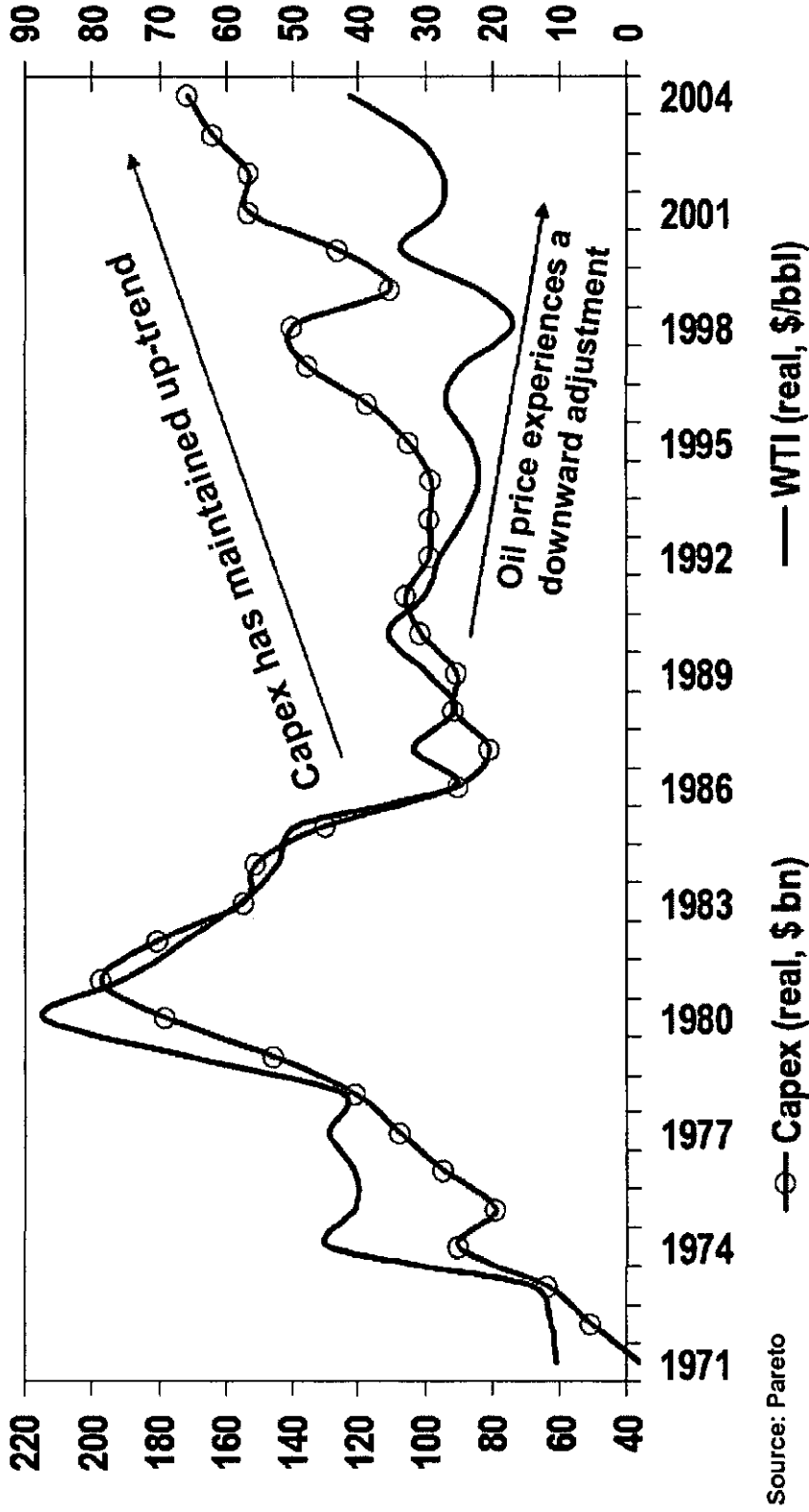
Outlook and Strategies

3 Outlook & Strategies



Source: BP Company data

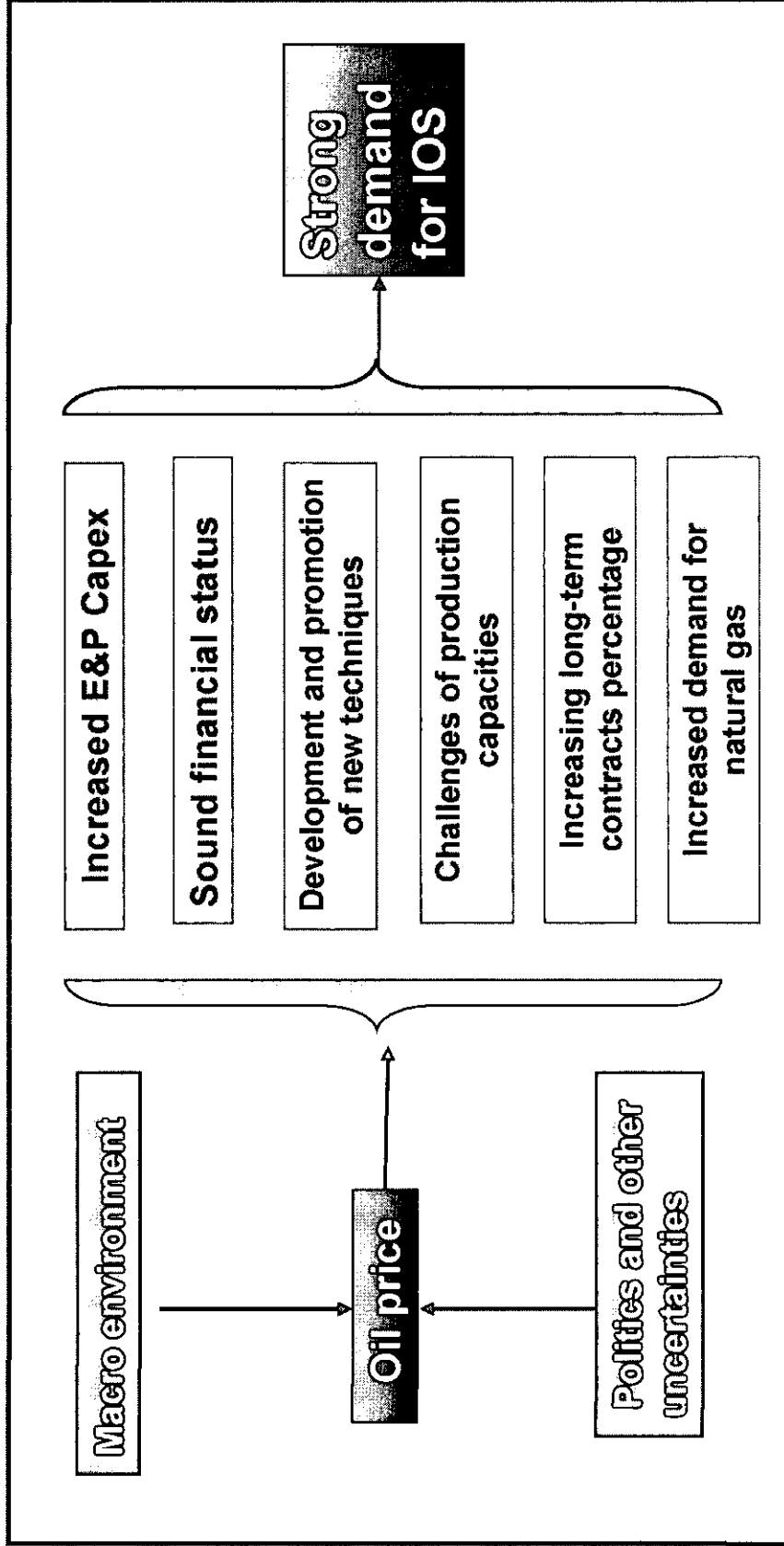
Industry Trend & Challenges



Oil price is an important but not the only factor determining oil companies' Capex.

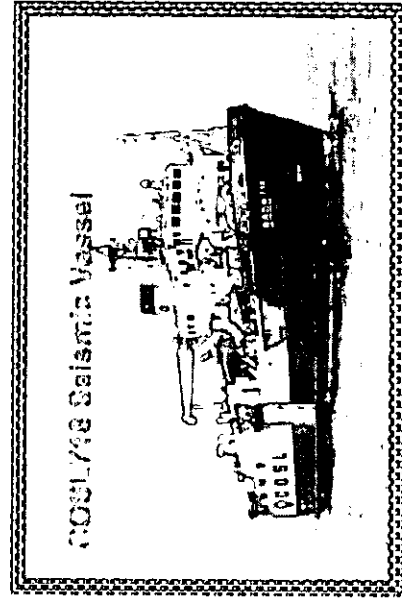
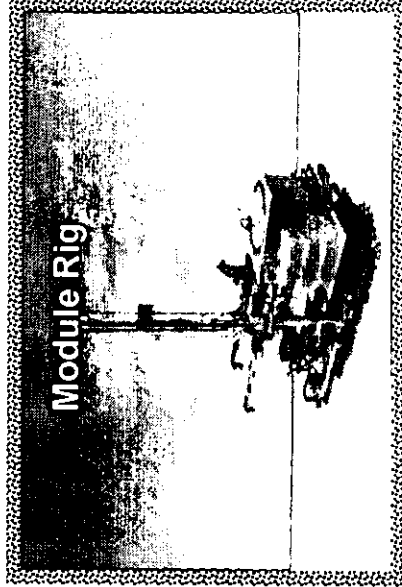
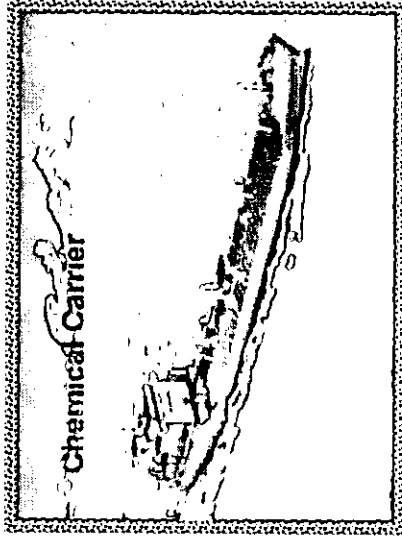
Market Trend & Challenges

COSL - unique positioning & more risk-resistant



New Capability & Working Volume 07

- A total of 15 drilling rigs--COSL941 achieved full year operation and Nanhai VI recorded an increase in operating days;
- Module rig in GOM will commence operation in mid-2007;
- 5 vessels and 3 second-hand vessels from "East-Marine" put into operation;
- 4 chemical carriers completed construction and put into operation;
- COSL718 seismic vessel achieved full year operation, more 3D;
- Increasing projects for well services in oilfield production, wire logging, directional drilling and cementing etc.



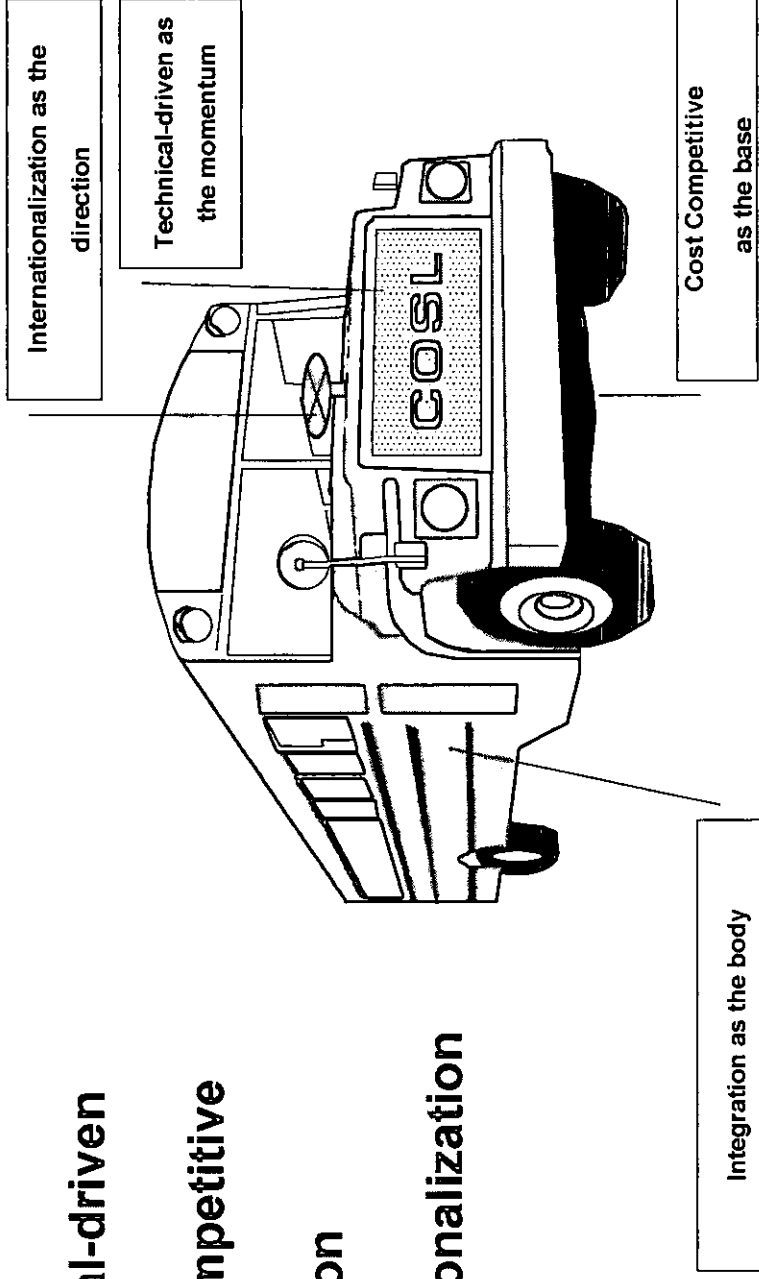
Five Key Drivers for COSL

- ❑ Strengthen Capex & Enhance capability
- ❑ Strong demand & Increased working volume
- ❑ Sustainable increase in service price
- ❑ R&D to enhance operation efficiency
- ❑ Multi-channels to further develop

Four Key Strategies

Tailor-made four core development strategies

- **Technical-driven**
- **Cost Competitive**
- **Integration**
- **Internationalization**



Effective Initiatives to Ensure Key Strategies

Conclusion

We Must Do Better

Grasp development opportunities,

Strive up against challenges,

Fight for better results.

www.cosl.com.cn

COSL₂₅