

HONG KONG, March 24, 2016 /CNW/ -- [CNOOC Ltd.](#) (the "Company", SEHK: 00883, NYSE: CEO, TSX: CNU) today announced its 2015 annual results for the year ended December 31, 2015.

In 2015, the Company maintained an intensive exploration program and made significant achievements in oil and gas exploration while lowering exploration capital expenditures. During the year, the Company made 16 new discoveries and successfully appraised 23 oil and gas structures. In offshore China, the Company made independent new discoveries including mid-to-large sized structure Liuhua 20-2, and successfully appraised a number of mid-to-large sized oil and gas structures such as Caofeidian 6-4. Overseas, we obtained new discoveries in Algeria and Nigeria, and successfully appraised three oil and gas structures including Libra in Brazil. Due to the low oil price, the Company's reserve replacement ratio was 67% for the year. As at the end of 2015, the Company's net proved reserves were approximately 4.32 billion barrels of oil equivalent (BOE).

The Company successfully met its annual oil and gas production target, with net oil and gas production reaching 495.7 million BOE, an increase of 14.6% year-over-year (yoY). The seven projects planned for 2015 have commenced production smoothly with many of them coming on stream ahead of schedule, demonstrating once again the Company's outstanding competence in project management.

During the year, the Company continued to proactively promote the "Year of Quality and Efficiency" program. The Company stimulated its operational vitality through management innovations and effectively lowered operating costs by utilizing market mechanisms. The Company has embarked on the path for future growth through innovation in technology. We established a long-term mechanism to optimize our cost structure, thereby laying a solid foundation to offset the challenges posed by low oil price.

In 2015, the Company's average realized oil price was US\$51.27 per barrel, a decrease of 46.6% yoY, while the average realized natural gas price was US\$6.39 per thousand cubic feet, a decline of 0.8% yoY. In addition, the Company's oil and gas sales revenue was RMB146.6 billion, representing a decline of 32.8% yoY. Due to the efforts of the lowering costs and enhancing efficiency program, the Company's all-in cost decreased by 5.9% yoY to US\$39.82 per BOE, representing a cost decline for the second consecutive year. The net profit declined by 66.4% yoY to RMB20.25 billion.

In 2015, the Company's capital expenditures were RMB66.5 billion, representing a decrease of 37.9% yoY.

In 2015, the Company's basic earnings per share was RMB0.45. The Board of Directors have proposed a year-end dividend of HK\$0.25 per share (tax inclusive).

Mr. Yang Hua, Chairman of [CNOOC Ltd.](#), said, "In 2015, the Company achieved satisfactory results in different areas of business notwithstanding the significantly lower capital expenditure. Looking ahead, the Company may face more complex and challenging production and operating environment. We will continue to adjust our business strategy and intensify the activities for the 'Year of Quality and Efficiency' program. We will endeavor to allow more space for growth through reform and innovation, and to consolidate our achievements through improved systems and policies, so as to ensure the sustainable growth of the Company."

Notes to Editors:

More information about the Company is available at <http://www.cnoocltd.com>.

This press release includes "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospectus or financial results. The words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate under the circumstances. However, whether actual results and developments will meet the expectations and predictions of the Company depends on a number of risks and uncertainties which could cause the actual results, performance and financial condition to differ materially from the Company's expectations, including but not limited to those associated with fluctuations in crude oil and natural gas prices, the exploration or development activities, the capital expenditure requirements, the business strategy, whether the transactions entered into by the Group can complete on schedule pursuant to their terms and timetable or at all, the highly competitive nature of the oil and natural gas industries, the foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the People's Republic of China. For a description of these and other risks and uncertainties, please see the documents the Company files from time to time with the United States Securities and Exchange Commission, including the Annual Report on Form 20-F filed in April of the latest fiscal year.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realised or, even if substantially realised, that they will have the expected effect on the Company, its business or operations.

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