

HONG KONG, Aug. 24, 2017 /CNW/ -- [CNOOC Ltd.](#) (the "Company", SEHK: 00883, NYSE: CEO, TSX: CNU) today announced its 2017 interim results for the six months ended June 30, 2017.

The Company has fully met 1H targets with outstanding production performance. Regarding exploration, 14 new discoveries and 14 successful appraisal wells were achieved, among which, 13 new discoveries and 12 successful appraisal wells were made in offshore China while one new discovery and 2 successful appraisal wells were made overseas. The Company ensured efficient operation and net production of oil and gas amounted to 237.9 million barrels of oil equivalent ("BOE"), outperformed our budget for the same period. To date, four out of five new projects planned for 2017 have already commenced production and another project Weizhou 12-2 oil field phase II is also progressing smoothly.

In the first half of 2017, the Company's average realized oil price was US\$50.43 per barrel, representing an increase of 33.8% year-on-year ("YoY"). The average realized natural gas price increased by 3.5% YoY to US\$5.68 per thousand cubic feet. The Company's oil and gas sales revenue reached RMB74.94 billion, representing an increase of 36.1% YoY.

The Company made further efforts on cost control and efficiency enhancement. The Company's all-in cost for the first half of 2017 was US\$31.74/BOE, representing a decrease of 9.0% YoY. Operating expense was US\$7.16/BOE, representing a decrease of 3.5% YoY. The Company has achieved satisfying profitability, and net profit for the first half of the year amounted to RMB16.25 billion. EBITDA amounted to RMB55.75 billion, representing an increase of 50.9% YoY.

In the first half of 2017, [CNOOC Ltd.](#) has maintained healthy financial status. The Company has abundant free cash flow ("FCF") and its gearing ratio has further decreased to 27.5%.

Mr. Yang Hua, Chairman of [CNOOC Ltd.](#), said: "In the first half of 2017, [CNOOC Ltd.](#) continued to forge ahead, stepped up its efforts in reform and innovation, strived to seek opportunities for future development, and achieved a satisfactory performance. While sustained low oil prices is a challenge, the situation also presents an opportunity for the Company. The Company has continued to hone its risk-resistant capabilities while maintaining a high level of governance and profitability. Going forward, the Company will continue to move steadily ahead towards its set goals and create greater value for the shareholders."

In the first half of the year, the Company's basic earnings per share reached RMB0.36. The Board has declared an interim dividend of HK\$0.20 per share (tax inclusive) for 2017.

Notes to Editors:

More information about the Company is available at <http://www.cnoocld.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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