



CNOOC LIMITED

中国海洋石油有限公司

2012 First Quarter Review

**Financial and Operating Highlights
for the Quarter Ended March 31, 2012**



Disclaimer

This presentation 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 “believe,” “intend,” “expect,” “anticipate,” “project,” “estimate,” “plan,” “predict” and similar expressions are intended to identify such forward-looking statements.

These statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties which could cause our actual results, performance and financial condition to differ materially from our expectations, including those associated with fluctuations in crude oil and natural gas prices, our exploration or development activities, our capital expenditure requirements, our business strategy, the highly competitive nature of the oil and natural gas industries, our 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 we file from time to time with the United States Securities and Exchange Commission, including our 2011 Annual Report on Form 20-F filed on April 20, 2012. Consequently, all of the forward-looking statements made in this presentation are qualified by these cautionary statements. We cannot assure that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected effect on us, our business or our operations.



Overview

Operation Highlights

- Net production of 79.8 million boe*
- 5 new discoveries and 5 successful appraisal wells
- New projects went smoothly
- Acquisition on Ugandan assets completed

Financial Results

- Oil and gas revenue of RMB 48.84 billion, up 3.7% YoY
- Capex of RMB 9.64 billion, up 58.2% YoY
- Average realized oil price of US\$120.79/bbl, up 19.4% YoY
- Average realized gas price of US\$5.88/mcf, up 19.8% YoY

* Including our interest in equity-accounted investees



Production Summary

Net production	2012Q1*	2011Q1*
Crude oil and liquids (mmbbls)		
Bohai	35.5	39.6
Western South China Sea	6.1	7.5
Eastern South China Sea	11.1	11.9
East China Sea	0.1	0.1
Overseas	10.9	9.8
Subtotal	63.8	68.9
Natural gas (bcf)		
Bohai	11.4	12.1
Western South China Sea	31.4	34.7
Eastern South China Sea	10.6	15.1
East China Sea	3.2	2.6
Overseas	36.2	33.1
Subtotal	92.8	97.6
Total production (mm boe)	79.8	85.4

* Including our interest in equity-accounted investees, which is approximately 4.3 mmboe in 2012Q1 and 3.7 mmboe in 2011Q1.



Revenue and Capital Expenditure

(unaudited)	RMB million			USD million**	
	2012Q1	2011Q1*	%Change	2012Q1	2011Q1*
Sales Revenue					
Crude Oil and Liquids	45,842.4	44,195.2	3.7%	7,276.2	6,711.9
Natural Gas	2,992.9	2,885.7	3.7%	475.0	438.2
Marketing Revenue,net	39.8	39.8	-0.1%	6.3	6.0
Others	406.5	235.6	72.5%	64.5	35.8
Total Revenue	49,281.6	47,356.3	4.1%	7,822.0	7,191.9
Capital Expenditures					
Exploration	2,625.5	1,984.7	32.3%	416.7	301.4
Development	6,129.6	3,065.9	99.9%	972.9	465.6
Production	886.6	1,042.8	-15.0%	140.7	158.4
Total Capex	9,641.7	6,093.5	58.2%	1,530.3	925.4
Average realized prices					
Oil, US\$/bbl				120.79	101.15
Gas, US\$/mcf				5.88	4.91

*The comparative period has been restated with the adoption of new IFRS/HKFRS

**Converted to US dollars at RMB6.3003=USD1.00 for 2012Q1; RMB6.5846=USD1.00 for 2011Q1.



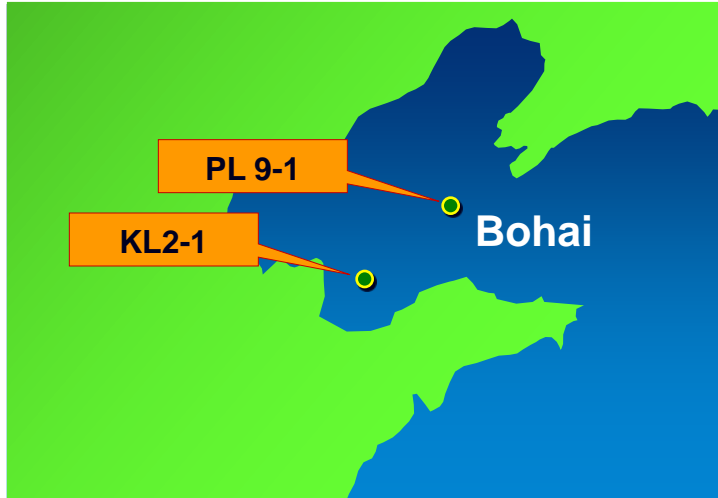
Exploration Program



5 successful wildcats and 5 successful appraisal wells were made in 2012Q1.



Exploration Breakthrough



○ Kenli 2-1 discovery

- Located in Yellow River Mouth sag
- Penetrated oil pay zones with total thickness of 22 meters
- Mid-to-large size discovery, extended the reserve scale of this area

○ Successful appraisal of Penglai 9-1

- Located in the Miaoxibei uplift in the eastern part of Bohai
- Discovery made in 2010
- Confirmed that PL 9-1 is a large oilfield
- The largest oilfield among the recent years' discoveries by scale in Bohai

○ Dongfang 13-2 discovery

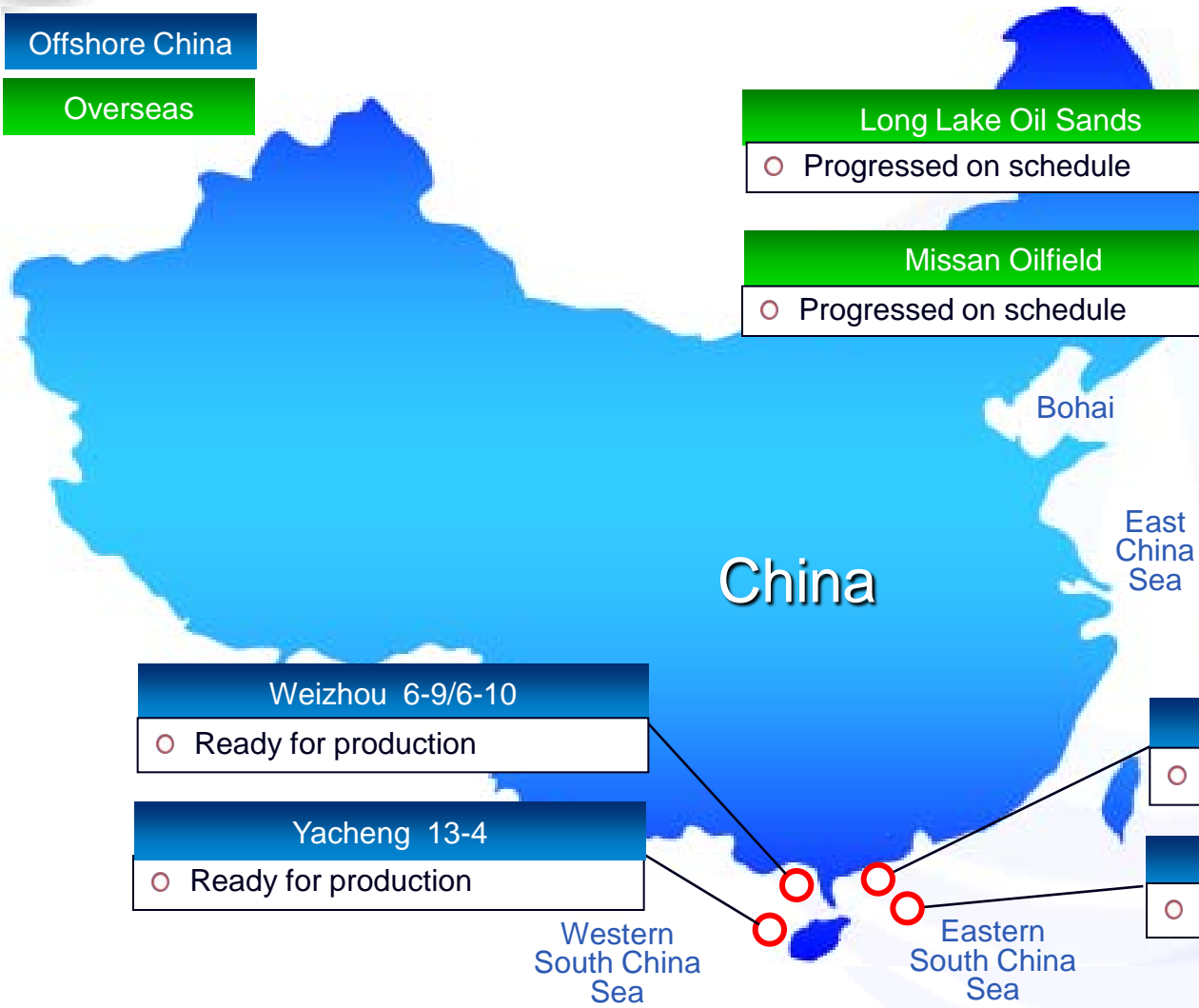
- Located in the north of central sag in Yinggehai Basin of Western South China Sea
- Encountered gas pay zones with total thickness of 35 meters
- Another breakthrough in high-temperature and high-pressure natural gas reservoir in Yinggehai after successful appraisal of DF 13-1



Major New Projects in 2012

Offshore China

Overseas

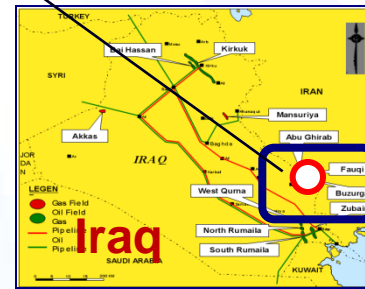


Long Lake Oil Sands

○ Progressed on schedule

Missan Oilfield

○ Progressed on schedule



Weizhou 6-9/6-10

○ Ready for production

Yacheng 13-4

○ Ready for production

Panyu 4-2/5-1 adjustment

○ Onshore construction

Lihua 4-1

○ Offshore Installation

2012 new projects progressed on schedule.



Health, Safety and Environment

- Health, safety and environment protection are always our top priority.
- 2012 was made “Safety and environment protection promotion year” of the Company.
- Continue to strengthen and refine our HSE management measures.
- Continue to proactively perform social responsibilities.

2012Q1

2011Q1

**Rate of recordable cases
(per 200,000 man hours)**

0.12

0.11

**Rate of lost work days cases
(per 200,000 man hours)**

0.04

0.07



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