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CHINA OILFIELD SERVICES LIMITED

中海油田服務股份有限公司

(incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

DELAY IN APPOINTMENT OF THE QUALIFIED ACCOUNTANT

The Board wishes to announce that the Company will not be able to appoint a qualified accountant with appropriate professional qualifications as required by Rule 3.24 of the Listing Rules by 30 September 2004. The Board will use its best endeavours to effect the appointment as soon as practicable.

China Oilfield Services Limited (the “**Company**”) will not be able to appoint a qualified accountant with appropriate professional qualifications as required by Rule 3.24 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) by 30 September 2004.

Given the importance of the role and function of a qualified accountant to oversee the Company's compliance with the requirements under the Listing Rules with regard to financial reporting and other accounting-related issues, the Company requires additional time to identify suitable candidates for the position. Despite attempts to find a suitable candidate, the Company has not been able to find a suitable candidate who meets all the requirements of Rule 3.24 of the Listing Rules on terms acceptable to the Company. The board of directors (the “**Board**”) of the Company is still in the process of verifying and collecting background information of the potential candidates. It is unlikely that the appointment can be effected on or before 30 September 2004 and therefore, the Company will not be able to meet the requirements set out in Rule 3.24 of the Listing Rules on 30 September 2004. The Board will use its best endeavours to effect the appointment as soon as possible.

As at the date of this announcement, the Board comprises seven members: Messrs. Yuan Guangyu and Wu Mengfei as executive directors; Messrs. Fu Chengyu and Wang Zhongan as non-executive directors; and Messrs. Andrew Y. Yan, Gordon C.K. Kwong and Simon X. Jiang as independent non-executive directors.

By Order of the Board
China Oilfield Services Limited
Chen Weidong
Company Secretary

Hong Kong, 30 September, 2004