

CNOOC LTD
Form 424B2
April 27, 2015
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Registration No. 333-188261
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The information in this prospectus supplement is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This prospectus supplement is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED April 27, 2015

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED April 27, 2015

CNOOC FINANCE (2015) AUSTRALIA PTY LTD

Australian Company Number 604 822 335

(incorporated in Victoria, Australia)

US\$ % Guaranteed Notes due 2020

US\$ % Guaranteed Notes due 2045

unconditionally and irrevocably guaranteed by

CNOOC Limited

(incorporated with limited liability in Hong Kong)

and

CNOOC FINANCE (2015) U.S.A. LLC

(formed in the State of Delaware)

US\$ % Guaranteed Notes due 2025

unconditionally and irrevocably guaranteed by

CNOOC Limited*(incorporated with limited liability in Hong Kong)*

The % Guaranteed Notes due 2020 (the 2020 Notes) and the % Guaranteed Notes due 2045 (the 2045 Notes) will be issued in initial aggregate principal amounts of US\$ and US\$, respectively, by CNOOC Finance (2015) Australia Pty Ltd (the 2015 Australian Issuer). The % Guaranteed Notes due 2025 (the 2025 Notes) will be issued in initial aggregate principal amounts of US\$, by CNOOC Finance (2015) U.S.A. LLC (the 2015 Delaware Issuer, and together with the 2015 Australian Issuer, the 2015 Issuers, or each a 2015 Issuer). We refer to the 2020 Notes and the 2045 Notes in this prospectus supplement collectively as the Australian Issuer Notes. The Australian Issuer Notes will be the direct, unconditional, unsubordinated and unsecured obligations of the 2015 Australian Issuer, unconditionally and irrevocably guaranteed by CNOOC Limited (the Company). The 2025 Notes are referred to in this prospectus supplement as the Delaware Issuer Notes (and together with the Australian Issuer Notes, the Notes). The Delaware Issuer Notes will be the direct, unconditional, unsubordinated and unsecured obligations of the 2015 Delaware Issuer, unconditionally and irrevocably guaranteed by the Company. We refer to the guarantees by the Company as the Guarantees.

The 2020 Notes will bear interest from , 2015 at the rate set forth above, payable semi-annually in arrears on and of each year, commencing , 2015. The 2025 Notes will bear interest from , 2015 at the rate set forth above, payable semi-annually in arrears on and of each year, commencing , 2015. The 2045 Notes will bear interest from , 2015 at the rate set forth above, payable semi-annually in arrears on and of each year, commencing , 2015.

The Notes may be redeemed at any time upon the occurrence of certain tax events. At any time, the Company or the 2015 Issuers may, at the Company s or the respective 2015 Issuer s option, redeem the Australian Issuer Notes or the Delaware Issuer Notes, as applicable, in whole or in part, at a redemption price equal to 100% of the principal amount of such series of Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date. For a more detailed description of the Notes and the Guarantees, see Description of the Notes and Guarantees in this prospectus supplement and Description of Debt Securities and Guarantees in the accompanying prospectus.

Investing in the Notes involves risks. See Risk Factors beginning on page S-13.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or the Guarantees or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price⁽¹⁾	Underwriting Discount	Proceeds to the Issuer (Before Expenses)⁽¹⁾
	%	%	%
Per 2020 Note			

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Total	US\$		US\$		US\$	
Per 2025 Note		%		%		%
Total	US\$		US\$		US\$	
Per 2045 Note		%		%		%
Total	US\$		US\$		US\$	

Note:

(1) Plus accrued interest, if any, from , 2015

Application has been made to The Stock Exchange of Hong Kong Limited (the HKSE) for listing of, and permission to deal in, the Notes by way of debt issue to professional investors only and such permission is expected to become effective on or about , 2015. Hong Kong Exchanges and Clearing Limited and the HKSE take no responsibility for the contents of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement.

We expect to deliver the Notes to investors through the book-entry delivery system of The Depository Trust Company and its direct participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about , 2015, which is the fifth business day following the date of this prospectus supplement. Purchasers of the Notes should note that trading of the Notes may be affected by this settlement date. Neither the Australian Issuer Notes offering nor the Delaware Issuer Notes offering contemplated hereby is contingent upon the other. See Underwriting.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

(in alphabetical order)

BOC International

Citigroup

Credit Suisse

Goldman Sachs (Asia) L.L.C.

Joint Bookrunners

(in alphabetical order)

**BofA Merrill Lynch
Morgan Stanley**

CICC HK Securities

ICBC International

**J.P. Morgan
Standard Chartered
Bank**

Société Générale Corporate & Investment Banking

The date of this prospectus supplement is , 2015

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Notice to Prospective Investors in Hong Kong

You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. The Notes are only available in Hong Kong or to persons resident in Hong Kong who are (a) professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) acquiring the Notes in circumstances which do not result in the document being a prospectus as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. Each purchaser of the Notes in the United States who is a resident of Hong Kong, by accepting delivery of this prospectus supplement and the accompanying prospectus, will be deemed to have represented, agreed and acknowledged that (a) it is a professional investor as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) it is acquiring the Notes in circumstances which do not result in the document being a prospectus as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

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We are responsible for the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus and in any related free writing prospectus we prepare or authorize. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. If you are in a jurisdiction where offers to sell, or solicitations of offers to purchase, the Notes offered by this document are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this document does not extend to you. The information contained in this document speaks only as of the date of this document, unless the information specifically indicates that another date applies.

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. This prospectus supplement also incorporates by reference the information described under [Where You Can Find More Information About Us](#). The second part is the accompanying prospectus dated April 27, 2015. The accompanying prospectus contains a description of our debt securities and gives more general information, some of which may not apply to this offering.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus include particulars given in compliance with the Rules Governing the Listing of Securities on HKSE for the purpose of giving information with regard to us. We accept full responsibility for the accuracy of the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

In this prospectus supplement, unless otherwise indicated, references to [we](#), [us](#), [our](#) and the [Company](#) refer to CNOOC Limited, or CNOOC Limited and its subsidiaries, including CNOOC Finance (2015) Australia Pty Ltd (ACN 604 822 335) and CNOOC Finance (2015) U.S.A. LLC (the [2015 Issuers](#) and each a [2015 Issuer](#)), as the context requires. References to [CNOOC](#) are to China National Offshore Oil Corporation and its subsidiaries (other than CNOOC Limited and its subsidiaries). References to [China](#) and the [PRC](#) refer to the People's Republic of China and, solely for the purpose of this prospectus supplement, exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan. References to [Renminbi](#) and [RMB](#) are to the legal currency of China, references to [U.S. dollars](#) and [US\\$](#) are to the legal currency of the United States, and references to [Hong Kong dollars](#) and [HK\\$](#) are to the legal currency of the Hong Kong Special Administrative Region.

There has been no material adverse change in the financial or trading position of the [Company](#) since December 31, 2014, except as set out in the [Risk Factors](#) and [Certain Financial Data](#) sections of this prospectus supplement.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospects or financial results. The words expect, anticipate, continue, estimate, objective, ongoing, may, will, project, should, believe, plans, expressions are intended to identify such forward-looking statements.

These forward-looking statements address, among others, such issues as:

the amount and nature of future exploration, development and other capital expenditures;

wells to be drilled or reworked;

development projects;

exploration prospects;

estimates of proved oil and gas reserves;

development and drilling potential;

expansion and other development trends of the oil and gas industry;

business strategy;

production of oil and gas;

development of undeveloped reserves;

expansion and growth of our business and operations;

oil and gas prices and demand;

future earnings and cash flow; and

our estimated financial information.

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These statements are based on assumptions and analysis 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, whether the transactions entered into by us can complete on schedule pursuant to their terms and timetable or at all, the highly competitive nature of the oil and natural gas industry, our foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the PRC and overseas. For a description of these and other risks and uncertainties, see **Risk Factors** and other cautionary statements appearing in this prospectus supplement and the documents incorporated by reference.

Consequently, all of the forward-looking statements made in this prospectus supplement and the documents incorporated by reference are qualified by these cautionary statements. We cannot assure you that the 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.

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SUMMARY

The following summary highlights information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. It may not contain all of the information that you should consider before investing in the Notes. You should carefully read this entire prospectus supplement, as well as the accompanying prospectus and the documents incorporated by reference herein that are described under Where You Can Find More Information About Us.

Our Business

CNOOC Limited

We are an upstream company specializing in the exploration, development and production of oil and natural gas. We are the dominant oil and natural gas producer in offshore China and, in terms of reserves and production, we are also one of the largest independent oil and natural gas exploration and production companies in the world.

As of the end of 2014, we had net proved reserves of approximately 4.48 billion BOE including approximately 2.46 billion barrels of crude oil and 7,268.1 bcf of natural gas. In 2014, we had an average daily production of approximately 955,647 barrels of crude oil and approximately 1,330.1 mmcf of natural gas, representing a total net oil and gas production of 1.18 million BOE per day, including approximately 47,640 BOE per day under our equity method investees (except as otherwise stated, all amounts of reserve and production in this prospectus supplement include our interests in equity method investees).

Our total revenues were RMB247.6 billion, RMB285.9 billion and RMB274.6 billion in 2012, 2013 and 2014, respectively. Our profit for the year was RMB63.7 billion, RMB56.5 billion and RMB60.2 billion in 2012, 2013 and 2014, respectively.

We were incorporated with limited liability on August 20, 1999 in Hong Kong under the Hong Kong Companies Ordinance. The PRC government established CNOOC, our controlling shareholder, as a state-owned offshore petroleum company in 1982 under the Regulation of the PRC on the Exploitation of Offshore Petroleum Resources in Cooperation with Foreign Enterprises. CNOOC assumed certain responsibility for the administration and development of PRC offshore petroleum operations with foreign oil and gas companies. Prior to CNOOC's reorganization in 1999, CNOOC and its various affiliates performed both commercial and administrative functions relating to oil and natural gas exploration and development in offshore China. In 1999, CNOOC transferred all of its then current operational and commercial interests in its offshore petroleum business, including the related assets and liabilities, to us. As a result, we and our subsidiaries are the only vehicles through which CNOOC engages in oil and gas exploration, development, production and sales activities both in and outside the PRC.

Our registered office is located at 65th Floor, Bank of China Tower, One Garden Road, Central, Hong Kong, and our telephone number is +852 2213-2500. We maintain a website at www.cnooltd.com where general information about us is available. The contents of the website are not part of this prospectus supplement or the accompanying prospectus.

THE 2015 ISSUERS

CNOOC Finance (2015) Australia Pty Ltd is our wholly-owned subsidiary and was incorporated as a proprietary company on March 18, 2015 in Victoria, Australia. It has no material assets and will conduct no business except in connection with the issuance of debt securities and the loan of proceeds from such issuance to us or a company controlled by us. Its registered office is located at the offices of its recognized agent, Anchor Legal, at Level 6, 105 St Georges Terrace, Perth, Western Australia 6000, Australia. Its telephone number is +61-8-9486-9777.

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CNOOC Finance (2015) Australia Pty Ltd will be treated as a disregarded entity for U.S. federal income tax purposes.

CNOOC Finance (2015) U.S.A. LLC is our wholly-owned subsidiary and was formed as a limited liability company on March 23, 2015 in the State of Delaware. It has no material assets and will conduct no business except in connection with the issuance of debt securities and the loan of proceeds from such issuance to us or a company controlled by us. Its registered office is located at the offices of its registered agent, Corporation Service Company, at 2711 Centerville Road, Wilmington, Delaware, U.S.A. 19808. Its telephone number is 302-636-5400.

CNOOC Finance (2015) U.S.A. LLC will be treated as a disregarded entity for U.S. federal income tax purposes.

Table of Contents**The Offering**

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this prospectus supplement and the accompanying prospectus. Terms used in this summary and not otherwise defined shall have the meanings given to them in Description of the Notes and Guarantees in this prospectus supplement and Description of Debt Securities and Guarantees in the accompanying prospectus.

Issuers	CNOOC Finance (2015) Australia Pty Ltd (the 2015 Australian Issuer), a proprietary company incorporated in and under the Laws of Victoria, Australia on March 18, 2015 (ACN 604 822 335), and CNOOC Finance (2015) U.S.A. LLC (the 2015 Delaware Issuer, and together with the 2015 Australian Issuer, the 2015 Issuers, or each a 2015 Issuer), a limited liability company formed in and under the laws of the State of Delaware on March 23, 2015 (Registration No. 47-3525422).
Guarantor	CNOOC Limited (the Company), a company incorporated with limited liability on August 20, 1999 in Hong Kong under the Companies Ordinance (Registration No. 685974).
Notes Offered	<p>US\$ _____ aggregate principal amount of _____ % guaranteed notes due 2020 issued by the 2015 Australian Issuer,</p> <p>US\$ _____ aggregate principal amount of _____ % guaranteed notes due 2025 issued by the 2015 Delaware Issuer, and</p> <p>US\$ _____ aggregate principal amount of _____ % guaranteed notes due 2045 issued by the 2015 Australian Issuer.</p>
Concurrent Offerings of Australian Issuer Notes and Delaware Issuer Notes	Neither the Australian Issuer Notes offering nor the Delaware Issuer Notes offering is contingent upon the other. Accordingly, although this prospectus supplement includes discussion of the offerings of both 2015 Issuers, it is possible that the offering of one 2015 Issuer will proceed to completion while the offering of the other 2015 Issuer does not. While the information in the table below under Capitalization and elsewhere in this prospectus supplement assumes the substantially concurrent completion of both the Australian Issuer Notes and Delaware Issuer Notes offerings, there can be no assurance that the concurrent offerings of the 2015 Issuers will be completed in the manner and timing contemplated herein or at all. See Underwriting.
Guarantees	Payment of principal of, and interest and any Additional Amounts on, the Notes is irrevocably and unconditionally guaranteed by the Company.
Issue Price	2020 Notes: _____ % of principal amount, plus accrued interest, if any, from _____, 2015, to the issue date.

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	2025 Notes: % of principal amount, plus accrued interest, if any, from , 2015, to the issue date.
	2045 Notes: % of principal amount, plus accrued interest, if any, from , 2015, to the issue date.
Maturity Date	2020 Notes: , 2020.
	2025 Notes: , 2045.
	2045 Notes: , 2025.
Interest Payment Dates	and , commencing , 2015.
Interest	The 2020 Notes will bear interest from , 2015 at the rate of % per annum, payable semi-annually in arrears from , 2015.
	The 2025 Notes will bear interest from , 2015 at the rate of % per annum, payable semi-annually in arrears from , 2015.
	The 2045 Notes will bear interest from , 2015 at the rate of % per annum, payable semi-annually in arrears from , 2015.
	Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months.
Further Issues	The 2020 Notes, the 2025 Notes and the 2045 Notes will be issued in initial aggregate principal amounts of US\$, US\$ and US\$, respectively. The Company and each 2015 Issuer may, however, from time to time, without the consent of the respective holders of a series of the Notes, create and issue, pursuant to the indentures, additional guaranteed notes, having the same terms and conditions under the indentures as the previously outstanding series of Notes in all respects, except for issue date, issue price, and amount of the first payment of interest thereon. Additional Notes issued may be consolidated with and form a single series with the previously outstanding Notes of the relevant series; provided, however, that no additional Notes will be issued under the same CUSIP, ISIN or other identifying number as the outstanding Notes of that series unless such additional Notes are fungible with such outstanding Notes for U.S. federal income tax purposes.
Ranking	The Australian Issuer Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the 2015 Australian

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Issuer ranking pari passu, without any preference or priority of payment among themselves, with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

The Delaware Issuer Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the 2015 Delaware Issuer ranking pari passu, without any preference or priority of payment among themselves, with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

The Guarantees will constitute direct, unconditional, unsubordinated and unsecured of the Company, ranking pari passu with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

Certain Covenants

The Company has covenanted in the indentures, with certain exceptions, not to incur certain liens or consolidate, merge or sell its assets substantially as an entirety unless certain conditions are satisfied. The Notes and the indentures do not otherwise restrict or limit the ability of the Company to incur additional indebtedness by itself or its subsidiaries or its ability to enter into transactions with, or to pay dividends or make other payments to, affiliates. See Description of Debt Securities and Guarantees Certain Covenants in the accompanying prospectus.

Additional Amounts

In the event that Australian (in the case of the 2015 Australian Issuer), United States (in the case of the 2015 Delaware Issuer), Hong Kong or PRC taxes are payable in respect of payments pursuant to the Notes or the Guarantees, the Company or the applicable 2015 Issuer, as the case may be, will, subject to certain exceptions, pay such Additional Amounts under the Notes as will result, after deduction or withholding of such taxes, in the payment of the amounts that would have been payable in respect of the Notes had no deduction or withholding been required. See Description of Debt Securities and Guarantees Additional Amounts in the accompanying prospectus.

Optional Redemption

At any time, the Company or the 2015 Issuers may, at the Company's or the respective 2015 Issuer's option, redeem the Australian Issuer Notes or the Delaware Issuer Notes, as applicable, in whole or in part, at a redemption price equal to 100% of the principal amount of such series of Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date. See Description of Notes and Guarantees Optional Redemption in this prospectus supplement.

Optional Tax Redemption

Each series of Notes may be redeemed at the option of the 2015 Australian Issuer or the 2015 Delaware Issuer, as the case may be, in

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whole but not in part, at 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, in the event the Company or a 2015 Issuer becomes obligated to pay Additional Amounts in respect of the Notes or the Guarantees of that series as a result of certain changes in tax law. See Description of Debt Securities and Guarantees Optional Tax Redemption in the accompanying prospectus.

Use of Proceeds

The aggregate proceeds from this offering, after deducting underwriting commissions and estimated offering expenses payable by the 2015 Issuers and us, will be approximately US\$ million. The 2015 Issuers will loan the proceeds of this offering to us or a company controlled by us. The proceeds will be used for general corporate purposes. See Use of Proceeds.

Governing Law

The Notes, the Guarantees and the indentures will be governed by, and construed in accordance with, the laws of the State of New York.

Denomination, Form and Registration

The Notes will be issued in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

Each series of the Notes will be represented by one or more global notes in fully registered form without interest coupons deposited with The Bank of New York Mellon as custodian for, and registered in the name of, Cede & Co., as nominee of The Depository Trust Company (DTC). Investors may elect to hold the interests in the global notes through any of DTC, Clearstream Banking, *société anonyme* (Clearstream, Luxembourg) or Euroclear Bank S.A./N.V. (Euroclear).

DTC will credit the account of each of its participants, including Euroclear and Clearstream, Luxembourg, with the principal amount of Notes being purchased by or through such participant. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream, Luxembourg.

Risk Factors

You should consider carefully all the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, you should evaluate the specific factors set forth under the heading Risk Factors beginning on page S-13 of this prospectus supplement, as well as the other information contained or incorporated herein by reference, before deciding to invest in the Notes.

Listing

Application has been made to list each series of the Notes on the HKSE.

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Trustee, Registrar, Paying and Transfer Agent The Bank of New York Mellon.

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The following table sets forth our unaudited consolidated ratio of earnings to fixed charges for each of the periods indicated using financial information extracted, where applicable, from our audited consolidated financial statements. Our audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

	Year Ended December 31,				
	2010	2011	2012	2013	2014
Ratio of Earnings to Fixed Charges	106.97	58.51	49.76	22.87	20.14

Earnings included in the calculation of the ratio of earnings to fixed charges represent income before income taxes plus fixed charges, other than capitalized interest. Fixed charges include interest expense, including capitalized interest, amortization of debt issuance costs and a portion of rent expense representative of interest.

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CERTAIN FINANCIAL DATA

Recent Developments

We achieved a total net production of 118.3 million barrels of oil equivalent (BOE) for the first quarter of 2015, representing an increase of 9.4% year-over-year, mainly attributable to the production contribution from new projects that commenced production since 2014 offshore China.

For the first quarter of 2015, we made three new discoveries and nine successful appraisal wells in offshore China.

Our unaudited oil and gas sales revenue reached approximately RMB35.54 billion for the first quarter of 2015, representing an increase of 39.9% year-over-year, mainly due to the sharp decrease of international oil price. During the period, our average realized oil price decreased 49.0% year-over-year to US\$53.40 per barrel, which is in line with the trend of international oil price. Our average realized gas price was US\$6.68 per thousand cubic feet, representing an increase of 5.5% year-over-year, mainly due to the price hike with certain customers in China and higher realized gas prices of new gas fields.

For the first quarter of 2015, our capital expenditure for exploration, development and production reached approximately RMB15.94 billion, mainly because we proactively promote cost control and efficiency enhancement and cut our capital expenditures as a reaction to low oil price environment.

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The following table sets forth our net production data for the periods indicated:

	Three Months Ended March 31, 2014 ⁽¹⁾	2015 ⁽¹⁾
Crude Oil & Liquids (mmbbls) China		
Bohai	34.8	41.3
Western South China Sea	8.5	8.7
Eastern South China Sea	13.3	16.6
East China Sea	0.2	0.2
Subtotal	56.8	66.9
Overseas		
Asia	2.9	4.1
Oceania	0.3	0.1
Africa	7.2	7.5
North America (excluding Canada)	4.0	5.1
Canada	4.9	4.8
South America	2.1	2.2
Europe	9.7	9.0
Subtotal	31.1	32.8
Subtotal (mmbbls)	87.8	99.6
Natural Gas (bcf) China		
Bohai	13.0	12.3
Western South China Sea	31.6	27.0
Eastern South China Sea	13.6	16.0
East China Sea	2.7	4.5
Subtotal	60.9	59.8
Overseas		
Asia	11.8	11.1
Oceania	6.6	3.7
North America (excluding Canada)	9.7	