[For immediate release]

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Antonoil Announces 2014 Annual Results

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Responding Swiftly to Challenging Market Conditions

Hong Kong, March 25, 2015 - **Anton Oilfield Services Group** ("Antonoil" or the "Group", HKEx stock code: 3337), a leading independent oilfield services provider in China, is pleased to announce its annual results for the year ended 31 December 2014.

In the 12 months ended 31 December 2014, the Group recorded RMB2,071.2 million in total revenue, a year-on-year decline of 18.2%. This was mainly due to the adjustment in the domestic market and decrease in international oil price in the second half of the year which pressurized on domestic and international oil and gas industry, the delay and/or cancellation of certain projects, intensified competition in the oilfield services industry and the resulting increased downward pricing pressure. Profit attributable to equity holders of the Company was RMB-198.2 million, a drop of 151.8% compared with 2013. The margin of net profit attributable to equity holders of the Company was -9.6% (2013: 15.1%). This was mainly due to the Group's increased resources committed by the Group to the development of new business to address the market adjustment, and the corresponding increase in financing costs, labor costs and other fixed costs.

Challenging conditions in domestic and overseas markets overall, yet hotspots of growth remained overseas

In the 12 months ended 31 December 2014, revenue from domestic market dropped 29.6% to RMB 1,378.6 million, accounting for 66.6% of the Group's total revenue. As a result of the combined impact from the readjustment of the domestic oil and gas industry and the continued tumble of oil prices, customers cut their capital expenditure, protectionism picked up in some markets, competition escalated, and the Group came under tremendous pressure on both price and profit. But on the other hand, the Group seized the opportunities of full-fledged market opening-up in some markets and fully participated in the competition. At the same time, it started to capture the opportunities on production service and oilfield waste management service and made preparation accordingly in terms of capacity building, technology and orders.

Revenue from overseas markets rose 20.3% to RMB692.6 million year on year and accounted for 33.4% of the total revenue. The industry situation was extraordinarily difficult as international oil price plummeted in the second half of 2014, but in some hotspot regions such as Iraq, customers' capital expenditure only decreased moderately. The Group moved beyond its "follow-up" strategy and secured stable growth of its overseas business despite a difficult environment. **Focused on expanding existing product lines and regular services capacity**

building reached preliminary target

In 2014, while focusing on expanding and strengthening existing product lines and improving their competitiveness, the Group continued to develop light-asset product lines and pushed ahead the adoption of the integrated services model. Concurrently, the Group started to seize the opportunities offered in production service and oilfield waste management service and make full preparation in terms of capacity, technology and orders.

The Group managed to meet its target in building regular services capacity, bringing into fruition a portfolio of product lines covering the entire process of oil and gas field development. Against this backdrop, the Group reined in capital expenditure in strict alignment with its business status and cash flow situation and emphasized on technological innovation.

Enhanced cost discipline and optimized human resources allocation

In 2014, recognizing the tough market environment, the Group actively enforced cost control, primarily on the costs of raw materials and technical services, labor costs, day-to-day operating costs and financing costs. Specifically on human resources, the Group streamlined its workforce with an aim to have a tighter control overall labor costs and optimized its staff mix by making internal transfers.

Outlook

Looking ahead, the domestic market environment remains daunting. Project delays may well be a continued occurrence. However, the gradual opening-up of some domestic markets will bring more opportunities for public tendering. Oilfield technical services companies with comparative brand advantages are likely to receive more orders. At the same time, in the light of customer needs for cost control and increasing efficiency, companies with comparative cost and technology advantages and an integrated services model will become preferred partners.

Overseas, oil companies cut their capital expenditure budgets for 2015 substantially. South America will likely take a heavy blow, while hotspots such as Iraq where the cost of recovery is low will likely fare better, but they too will come under pressure from customers seeking lower prices. However, the continued production gains in Iraq will translate into greater customer demand for technical services. The oil and gas reform in Mexico also presents potential opportunities. The pressure from customers to cut costs will work in favor of oilfield technical services companies with comparative advantages in terms of brand and cost.

Mr. LUO Lin, Chairman of Antonoil said, "In 2015, the market environment remains difficult, but the Group has reacted in a swift manner. With product lines covering the entire process of oil and gas production and its extensive market coverage, the Group will build on its comparative advantages on cost, technology, brand and integrated service model and take on a more rigorous cost discipline. It is fully prepared for the challenges and opportunities ahead."

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About Anton Oilfield Services Group

Anton Oilfield Services Group (HKEx stock code: 3337) is a leading independent provider of integrated oilfield technical services. The Group's products and services cover the entire process of oil and gas field development and production and include reservoir management, drilling, well completion, down-hole operation, oil recovery and tubular services. It owns a complete range of product lines and integrated services capabilities, capable of addressing the needs of oil and gas customers for stimulation, enhancement, cost reduction, safety and waste management. The Group owes its fast growth to the robust development of natural gas in China and its business expansion in overseas markets. The Group's vision is to become a leading global oilfield services provider with a solid foothold in China.

Antonoil is headquartered in Beijing and has a global network spanning across the Tarim, Erdos, southwest and other regions of China as well as Iraq and other Middle Eastern markets, Central Asia, Africa and the Americas. It is the best independent partner of oilfield engineering technology in China and the best partner in China for international oil companies.

For media enquiries, please contact
Hill+Knowlton Strategies

Elisa Fong
Direct: (852) 2894 6224
E-mail: elisa.fong@hkstrategies.com

Ka Wai Li
Direct: (852) 2894 6252
E-mail:kawai.li@hkstrategies.com