

2013 Interim Results

Press Conference

27 August 2013



COSCO Pacific Limited

Top-line revenue growth

Terminal profit margin under pressure

P&L	1H2013 US\$ million	YoY	1H2012 US\$ million
Turnover	395.20	+7.6%	367.36
Gross profit	172.98	+4.5%	165.47
Operating profit	136.97	+8.8%	125.88
Operating profit after finance income & costs	96.07	+3.7%	92.64
Share of profits less losses of			
- Jointly controlled entities	38.89	-21.2%	49.35
- Associates	32.82	+16.8%	28.10
Income tax expenses	(15.59)	+20.5%	(12.94)
Profit attributable to equity holders from continuing operations	143.82	-3.6%	149.18
Profit from discontinued operation			
- Share of profit from CIMC	23.06	-22.5%	29.75
- Net gain on disposal of CIMC	393.41	n/c	-
Profit attributable to equity holders	560.29	+213.1%	178.93

Moderate decline in recurring core profit

Net profit by segments	1H2013 US\$ million	YoY	% of total	1H2012 US\$ million	% of total
Terminals	92.83	-5.1%	54.9%	97.84	57.3%
Container leasing, management and sale	76.29	+4.8%	45.1%	72.77	42.7%
Recurring core profit	169.12	-0.9%	100.0%	170.61	100.0%
Share of profit from CIMC ^{Note}	23.06	-22.5%		29.75	
Net gain on the disposal of CIMC	393.41	n/c		-	
Net corporate expense & finance costs	(25.30)	+18.0%		(21.43)	
Profit attributable to equity holders	560.29	+213.1%		178.93	

Note: Share of profit from CIMC in 1H2013 included the profit for the period from Jan to May 2013 only

Stable dividend payout ratio

	1H2013	YoY	1H2012
Basic earnings per share from continuing operations <small>Note</small>	US5.16 cents	-6.2%	US5.50 cents
Basic earnings per share <small>Note</small>	US20.11 cents	+204.7%	US6.60 cents
Interim dividend per share	HK18.6 cents US2.396 cents	-9.3%	HK20.5 cents US2.640 cents
Special interim dividend per share	HK43.8 cents US5.648 cents	n/a	- -
Payout ratio	40%	-	40%

Note: 1H2013 basic EPS is calculated based on the weighted average number of ordinary shares in issue during the period amounted to 2,786,211,582 shares (1H2012: 2,711,783,573 shares), an increase of 74,428,009 shares mainly resulting from scrip dividend alternative offer for 2012 interim dividend and 2011 final dividend

Terminals: stable revenue growth

Weaker profit performance due to higher costs

Terminal division	1H2013	YoY	1H2012
Divisional revenue (US\$ m) ^{note}	217.07	+9.7%	197.81
% of total revenue	54.9%	+1.1pp	53.8%
Divisional profit (US\$ m)	92.83	-5.1%	97.84
% of total recurring core profit	54.9%	-2.4pp	57.3%
Total throughput (TEU)	29,494,353	+9.7%	26,876,860
Equity throughput (TEU)	8,201,200	+8.2%	7,581,363
Annual handling capacity (TEU)	62,200,000	+9.1%	57,000,000
No. of operating container berths	102	+7	95

Note: Terminal revenue was mainly generated from PCT, Nansha, Quan Zhou, Yangzhou, Zhangjiagang, Jinjiang and Xiamen terminals.

Leasing: stable revenue and profit growth

Increased in on-hire containers

Container leasing division	1H2013	YoY	1H2012
Divisional revenue (US\$ m)	180.23	+5.7%	170.57
- Container Leasing revenue	147.10	+6.8%	137.69
- Disposal of returned containers	26.10	-2.8%	26.84
- Management income	3.82	+5.2%	3.63
- Others	3.21	+33.5%	2.41
% of total revenue	45.1%	-1.1pp	46.2%
Divisional profit (US\$ m)	76.29	+4.8%	72.77
% of total recurring core profit	45.1%	+2.4pp	42.7%
Average utilisation rate	94.5%	-0.7pp	95.2%
Fleet capacity (TEU)	1,874,826	+4.3%	1,797,377
New containers purchased (TEU)	65,000	+36.4%	47,642
Disposed returned containers (TEU)	20,198	+3.5%	19,522
Returned containers from COSCON (TEU)	11,678	-9.2%	12,859

Awards

- “Corporate Governance Asia Recognition Award” for the seventh consecutive year by Corporate Governance Asia magazine
- “Outstanding China Enterprise Award” for the second consecutive year by Capital magazine



2013 business outlook

- Implement long-term strategy which focuses on the development of the terminal business, and actively explore and assess investment opportunities in terminal projects in China, Southeast Asia, North America and Europe.
- Expand container leasing fleet, optimise the lease mix and provide comprehensive container leasing services to customers.

Q & A