



# The Ports For ALL



*Excellence through Specialization*

COSCO SHIPPING Ports Limited

**2016 Interim Results**

**Press Conference**

24 August 2016

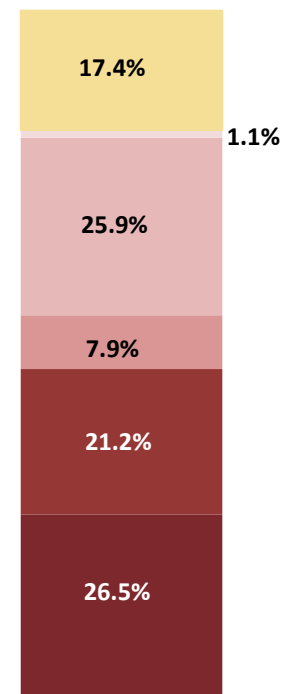
# Results Highlights

| US\$' m   | 1H2016  | 1H2015  | YoY     |
|---|---------|---------|---------|
| Revenue   | 275.0   | 276.5   | -0.6%   |
| COGS  | (167.6) | (173.4) | -3.3%   |
| Gross Profit                                    | 107.4   | 103.1   | +4.1%   |
| GPM   | 39.0%   | 37.3%   | +1.7pp  |
| Profits from terminal operations                | 132.5   | 145.7   | -9.1%   |
| Net corporate expenses & finance costs          | (26.7)  | (8.2)   | +226.3% |
| Shareholder's profit, excluding gains from FCHL | 105.8   | 137.5   | -23.0%  |

# Equity Throughput – by Region

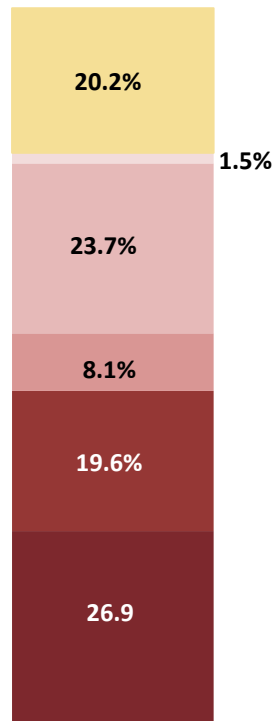
**Total Equity Throughput: 14.3m TEU, +4.3% YoY**  
Organic growth:2.2%

**13.8m TEU**



**1H2015**

**14.3m TEU**



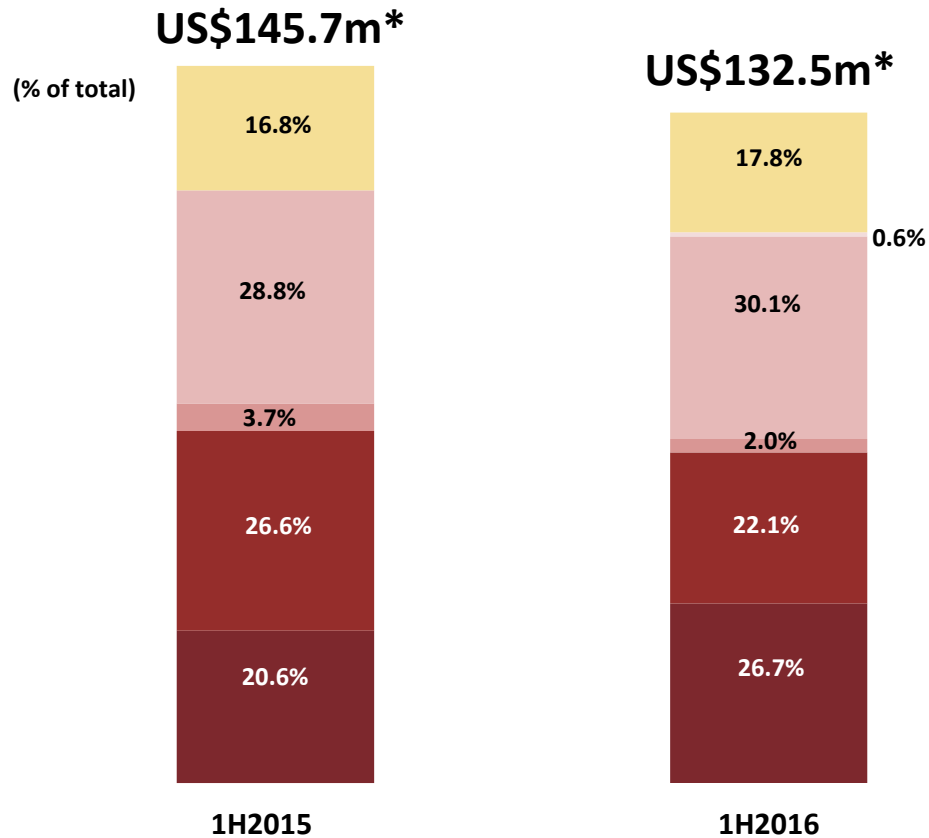
**1H2016**

|               | 1H2016    | YoY    | Market share* |
|---------------|-----------|--------|---------------|
| Overseas      | 2.9m TEU  | +21.1% |               |
| Greater China | 11.5m TEU | +0.7%  | 10.1%**       |
| S.W. Coast    | 0.2m TEU  | +37.5% | 12.0%         |
| PRD           | 3.4m TEU  | -4.3%  | 12.5%**       |
| S.E. Coast    | 1.2m TEU  | +6.6%  | 14.7%**       |
| YRD           | 2.8m TEU  | -3.6%  | 8.7%          |
| Bohai Rim     | 3.9m TEU  | +5.8%  | 13.1%         |

\*Calculation according to the figures published by China CCIA.

\*\*Exclude Kao Ming, COSCO-HIT and ACT

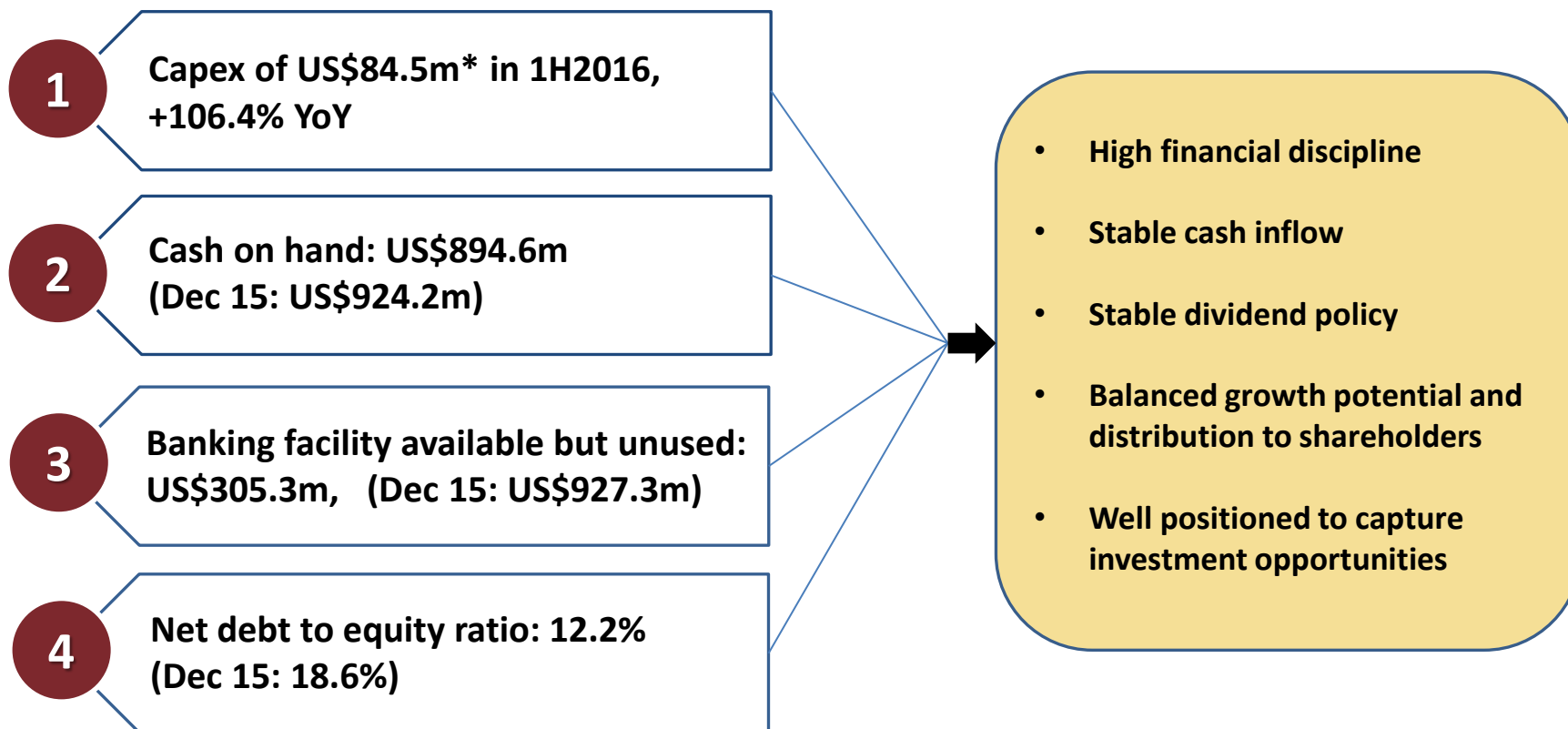
# Profit from terminal operations – by region



|                      | 1H2016<br>US\$ | YoY          |
|----------------------|----------------|--------------|
| Overseas             | 23.6m          | -3.7%        |
| <b>Greater China</b> | <b>107.9m</b>  | <b>-7.0%</b> |
| S.W. Coast           | 0.8m           | turnaround   |
| PRD                  | 39.9m          | -5.0%        |
| S.E. Coast           | 2.6m           | -51.6%       |
| YRD                  | 29.2m          | -24.5%       |
| Bohai Rim            | 35.4m          | +17.7%       |

\*Including the gains on disposal of the shares of Xiamen Port and Lianyungang New Dongrun, and the profit from container handling companies, etc.

# Capex & Financial Positions



\*Not including US\$320.0m that spent on Floren's in 1Q2016

# Globalization

- Accelerate our pace to develop a global hub network
- Develop a balanced global portfolio to minimize operational risk
- Feeder ports network to support hub ports' development (eg. PCT and Kumport)
- Complete around 10 projects along "One Belt, One Road" (SE Asia, Mediterranean, Europe, Africa, etc) and South America

|                                       | Globalization | Synergies with Parent Group | Trend of Mega-vessels |
|---------------------------------------|---------------|-----------------------------|-----------------------|
| CJ Express Korea Busan                | ★             | ★                           | ★                     |
| Turkey's Kumport                      | ★             |                             |                       |
| New JV agreement with Singapore's PSA |               | ★                           | ★                     |
| Holland's Euromax                     | ★             | ★                           | ★                     |

# Awards

- Won the “**Outstanding China Enterprise Award**” by Capital magazine for the fifth consecutive year
- Won the “**Best Investor Relations Company**” from Corporate Governance Asia Magazine for the fifth consecutive year



# Strengthened Market Position

## 中遠海運港口有限公司 COSCO SHIPPING Ports Limited



**Reflects Our Focus and Excellence**



**Sharpens Our Strategic Goals**



**Highlights Our Strengthened Synergy with Parent Group**



**Becomes “The Ports For ALL”**



# Outlook

- **The Ports For ALL**
- **Long-term sustainable growth**
- **Maximize shareholders' value**

- **Five-Year Target**
  - Enhance shareholder's return
  - Greater global footprint and dominant position by enlarging our control in terminals
- **Synergetic value with COSCO SHIPPING and OCEAN Alliance:**
  - Captive demand to drive sustainable revenue and profit growth
  - Enhanced bargaining power on upcoming bids initiate favorable terms
- **Ongoing development of global hub network and globalization**
  - Strengthen our dominant position and global market share
  - Enhance risk management with optimization of global terminal portfolio
  - Take opportunities along "One Belt, One Road"



Q & A