



COSCO Pacific Limited

2009 Interim Results

Press Conference
28 August 2009



Disposal of 49% stake in COSCO Logistics Concentrate resources on terminals

Signed agreement date	27 Aug 2009
Disposal asset	49% stake in COSCO Logistics
Purchaser	China COSCO Holdings Company Limited
Consideration	RMB 2,000m (equivalent to approximately HK\$2,268.6m or US\$292.7m)
Special distribution	An additional cash payment = COSCO Logistics FY2009 net profit x 273/365 (i.e. the first nine months' net profit) x 90% x 49%
Estimated pre-tax gain	Approximately US\$102.5 million (equivalent to approximately HK\$794.4 million)
Reason of disposal	To dispose non strategic business To concentrate resources on the development of terminal business
Use of proceeds	To apply to terminal investments and further improvement in working capital
Completion date	Consideration : on or before 31 Dec 2009 Special distribution : on or before 30 Jun 2010

Results highlights

	1H 2009	y-o-y change
Turnover	US\$159,028,000	- 1.9%
Gross profit	US\$73,009,000	- 13.5%
Profit attributable to equity holders	US\$104,509,000	- 31.8%
Basic EPS	US4.66 cents	- 31.7%
Interim dividend per share	US1.862 cents	- 47.0%

Dividend payout ratio: 40.0% (FY2008: 40.0%)

Healthy financial position

	As at 30 June 2009	Change from 31 Dec 2008
Total assets	US\$4,366,053,000	+ 3.6%
Total liabilities	US\$1,643,681,000	+ 4.9%
Total debts	US\$1,464,846,000	+ 2.8%
Net assets	US\$2,722,372,000	+ 2.9%
Net asset value per share	US\$1.21	+ 2.8%
Cash on hand	US\$418,126,000	- 2.5%
Net debt-to-equity ratio	38.4%	+ 0.8pp

Interest coverage: 5.9X ↓1.7X (1H 2008: 7.6X)

Terminal business outperformed global & China market

■ Decline of global terminal throughput

- Europe & the US : ↓ 15%-18%
- Southeast Asia : ↓ 14%
- China : ↓ 11%

■ Moderate decline of COSCO Pacific terminal throughput

- 89 container berths handled
20,207,025 TEUs ↓ 8.5%

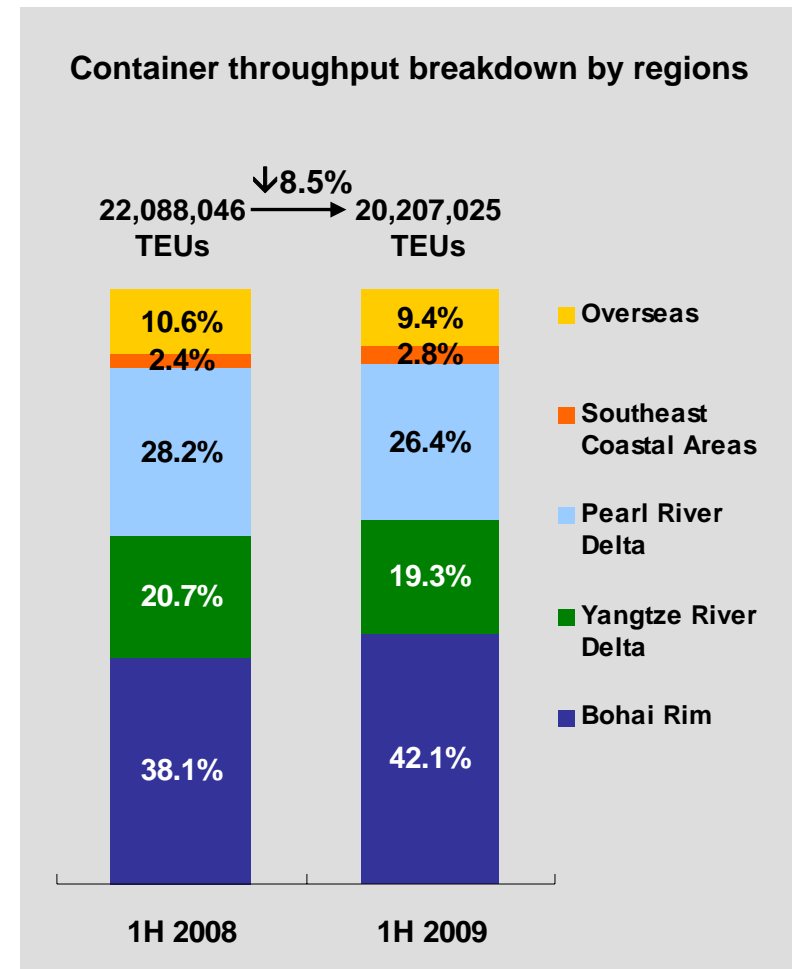
Throughput of Container Terminals	1H 2009 (TEUs)	y-o-y change (%)
Bohai Rim	8,493,867	+1.1%
Qingdao Qianwan Terminal	4,427,379	+2.6%
Qingdao Cosport Terminal	588,495	+2.8%
Dalian Port Container Co., Ltd.	1,314,773	+3.3%
Dalian Port Terminal	697,356	-12.2%
Tianjin Five Continents Terminal	943,717	-2.0%
Yingkou Terminal	522,147	+7.9%
Yangtze River Delta	3,902,197	-14.7%
Shanghai Pudong Terminal	1,125,924	-14.3%
Shanghai Terminal	1,430,306	-22.6%
Ningbo Yuan Dong Terminal	494,794	+25.3%
Zhangjiagang Win Hanverky Terminal	301,513	-20.0%
Yangzhou Yuanyang Terminal	93,973	-26.2%
Nanjing Longtan Terminal	455,687	-11.3%
Pearl River Delta and Southeast Coastal Areas	5,902,435	-12.7%
COSCO–HIT Terminal	657,451	-25.6%
Yantian Terminal	3,791,260	-11.1%
Guangzhou South China Oceangate Terminal	884,220	-18.0%
Quan Zhou Pacific Terminal	439,734	-6.4%
Jinjiang Pacific Terminal	129,770	+104.8%
Overseas	1,908,526	-18.8%
COSCO - PSA Terminal	362,379	-46.5%
Antwerp Gateway	297,045	-48.3%
Suez Canal Terminal	1,249,102	+13.6%
Total container throughput in China	18,298,499	-7.3%
Total container throughput	20,207,025	-8.5%
Total throughput of break-bulk cargo (Tons)	7,021,875	+6.9%

Bohai Rim accounted for 42.1% of total throughput

- Outperforming regions:
 - Bohai Rim throughput ↑1.1%
 - Southeast Coast throughput ↑6.8%

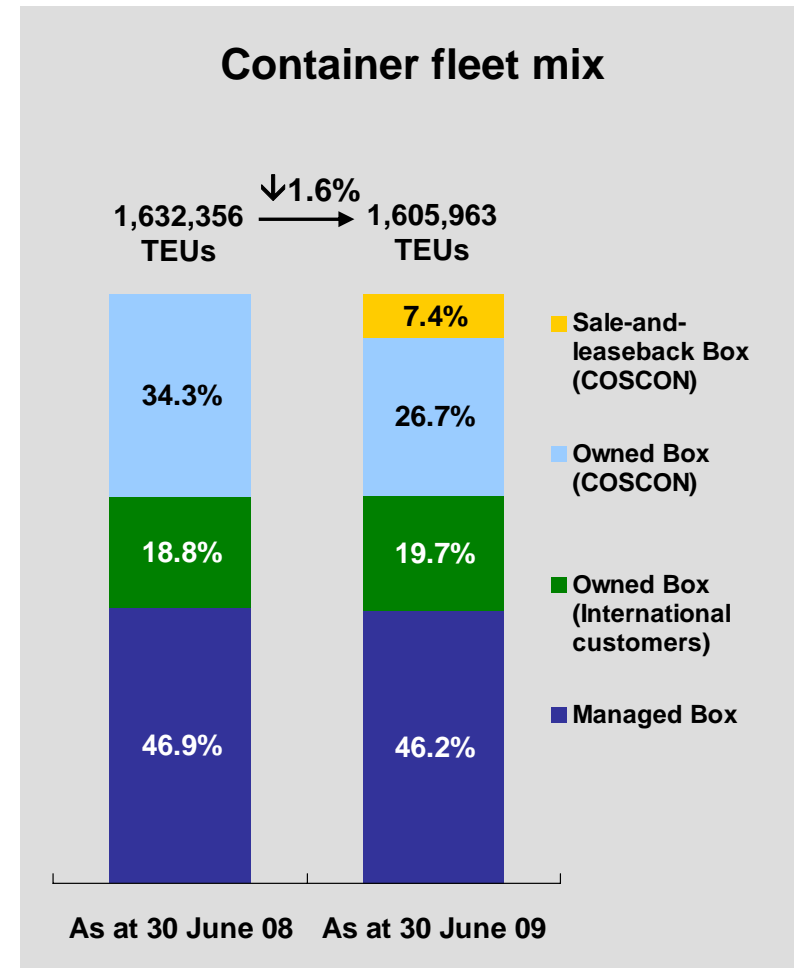
- Yangtze River Delta & Pearl River Delta throughput ↓14.7% & ↓14.4% due to the decrease in cargo volume of Europe & US shipping routes

- Overseas throughput ↓18.8% due to the decrease in cargo volume of Europe/Asia shipping routes



Utilisation rate well above the industry average

- Fleet size: 1,605,963 TEUs ↓1.6%
 - 745,185 TEUs of owned containers accounted for 46.4% of the total container fleet
 - COSCON: 429,238 TEUs
 - International customers: 315,947 TEUs
 - 742,684 TEUs of managed containers accounted for 46.2% of the total fleet.
 - 118,094 TEUs of sale-and-leaseback containers accounted for 7.4% of the total fleet.
- Utilisation rate: 90.3% (Industry average : 86.0%)
- Fleet age: 4.85 years
- Long-term leases secured sources of income and contributed 93.0% to the total container leasing revenue



Declined demand of new containers

- **As a result of sharp contraction in the container shipping market, demand for new containers dropped substantially. Since the 4th quarter of 2008, CIMC plant has nearly halted dry container production.**
- **Profit contribution from CIMC decreased by 18.3% to US\$23,806,000.**
- **In order to simplify the business structure of container manufacturing division, COSCO Pacific disposed its equity interest in Shanghai CIMC Reefer Container Co., Ltd in the first half of 2009.**

Outlook

■ Terminal business:

- Reinforcing our corporate strategy to develop the terminal business as the principal earnings driver so as to sustain the long term development.
- Strengthen the operational management and cost control
- By taking over Piraeus Terminal in Greece on 1st October 2009, COSCO Pacific further expands its overseas terminal network and increases its controlling rights of terminal operation.

■ Container leasing business:

- Exercise strict control over operating costs
- Implement various risk management measures
- Maintain a stable utilisation

Long range planning

- **Introduction of larger scale stimulus programs by major economies in the world will help to further improve the global economy.**
- **It remains uncertain on when the economy will recover.**
- **In order to seize business development opportunity ahead, COSCO Pacific will closely monitor the economic situation around the globe and in China, and will make timely adjustment to its operational strategies.**
- **It has formulated a development plan for making sustainable solid growth of COSCO Pacific in the future.**