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COSCO Pacific Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 1199)

ANNOUNCEMENT

The Board has noted from certain articles appeared in newspapers published on 18 January 2005 reporting the acquisition of COSCO HK's interests in the Company by COSCO. The Board would like to clarify that as notified by COSCO, for the purpose of an internal reorganization of COSCO, the immediate controlling shareholder of the Company will be changed from COSCO HK to COSCO Pacific Holdings, both being wholly-owned subsidiaries of COSCO, upon completion of the Agreement and COSCO will remain as the ultimate controlling shareholder of the Company.

The Board has noted from certain articles appeared in newspapers published on 18 January 2005 reporting, among others, that COSCO will acquire shareholding interest in the Company from COSCO HK, a wholly-owned subsidiary of COSCO.

The Board would like to clarify that it has received a notification from COSCO that for the purpose of an internal reorganization of COSCO, as of 28 December 2004, COSCO HK and COSCO Pacific Holdings, also a wholly-owned subsidiary of COSCO, entered into the Agreement whereby COSCO Pacific Holdings will acquire from COSCO HK all its direct and indirect interests in the Company. Upon completion of the Agreement, the immediate controlling shareholder of the Company will be changed from COSCO HK to COSCO Pacific Holdings and COSCO will remain as the ultimate controlling shareholder of the Company. The change in the Company's immediate controlling shareholder mentioned above will not affect the business of the Company and COSCO remains supportive to the Company.

As at the date of this announcement, COSCO HK is directly and indirectly interested in approximately 52.4% of the issued share capital of the Company, which represents the entire interest of COSCO in the Company. COSCO HK will cease to hold any interest in the Company upon completion of the Agreement.

As at the date of this announcement, the board of directors of the Company comprises 18 executive directors, namely, Capt. WEI Jiafu (Chairman), Mr. LIU Guoyuan (Vice Chairman), Mr. ZHANG Fusheng, Mr. WANG Futian, Mr. CHEN Hongsheng, Mr. LI Jianhong, Mr. MA Zehua, Mr. MA Guichuan, Mr. LI Yunpeng, Ms. SUN Yueying, Mr. ZHOU Liancheng, Mr. SUN Jiakang (Managing Director), Mr. XU Lirong, Mr. HE Jiale, Mr. WONG Tin Yau, Kelvin, Mr. MENG

Qinghui, Mr. LU Chenggang, Mr. QIN Fuyan; 3 independent non-executive directors, namely, Dr. LI Kwok Po, David, Mr. LIU Lit Man, Mr. Alexander Reid HAMILTON; and 1 non-executive director, namely, Mr. KWONG Che Keung, Gordon.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

Expression	Meaning
“Agreement”	the agreement dated as of 28 December 2004 between COSCO HK and COSCO Pacific Holdings
“Board”	the board of directors of the Company
“Company”	COSCO Pacific Limited
“controlling shareholder”	has the meaning ascribed to it under the Rules Governing the Listing of Securities on the Stock Exchange
“COSCO”	China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a company established in the People’s Republic of China and the ultimate controlling shareholder of the Company
“COSCO HK”	COSCO (Hong Kong) Group Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of COSCO
“COSCO Pacific Holdings”	COSCO Pacific Investment Holdings Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of COSCO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
COSCO Pacific Limited
SUN Jiakang
Managing Director

Hong Kong, 20 January 2005

Please also refer to the published version of this announcement in the (The Standard)