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## **COSCO Pacific Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 1199)**

### **DISCLOSEABLE TRANSACTION**

#### **ACQUISITION OF ADDITIONAL SHARES IN CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.**

During the period from 10 December 2007 to 6 March 2008, COSCO Container, a wholly-owned subsidiary of the Company, acquired a total of 113,067,401 B shares of CIMC (representing approximately 4.25% of the issued share capital of CIMC) on the Shenzhen Stock Exchange in the PRC at an aggregate cash consideration of approximately HK\$1,665,012,000. Together with the 432,171,843 A shares (representing approximately 16.23% of the issued share capital of CIMC) held by the Group, the Group's interest in CIMC has increased to approximately 20.48%. The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing further information on the Acquisition will be despatched to the shareholders of the Company as soon as practicable.

#### **THE ACQUISITION**

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In respect of the Acquisition, the Company is not aware of the vendors or their ultimate beneficial owners not being third parties independent of the Company and connected persons of the Company. As one or more of the applicable percentage ratios in respect of the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **INFORMATION ON CIMC**

CIMC is a joint stock limited company established in the PRC and its A shares and B shares are listed and traded on the Shenzhen Stock Exchange in the PRC. It is primarily engaged in the manufacturing and sale of modern traffic and transport equipment such as containers, modern road transport vehicles and airport ground equipment. A subsidiary of China Ocean Shipping (Group) Company (which is the ultimate controlling shareholder of the Company) holds B shares of CIMC representing approximately 0.95% of the issued share capital of CIMC.

According to the published audited consolidated accounts of CIMC prepared in accordance with the International Financial Reporting Standards:

- (a) the consolidated profit before and after taxation of CIMC for the year ended 31 December 2005 were approximately RMB3,172,223,000 and RMB2,947,599,000 respectively, and the consolidated net asset value of CIMC as at 31 December 2005 was approximately RMB10,510,972,000; and
- (b) the consolidated profit before and after taxation of CIMC for the year ended 31 December 2006 were approximately RMB3,248,943,000 and RMB3,016,868,000 respectively, and the consolidated net asset value of CIMC as at 31 December 2006 was approximately RMB13,170,615,000.

The interest of the Company in CIMC has been equity accounted for in the consolidated accounts of the Company, and will continue to be so accounted for after the Acquisition.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in the businesses of managing and operating container terminals, container leasing, container management, logistics, container manufacturing and related businesses and other investments. The Company considers that the B shares of CIMC acquired at the level of pricing at which the Acquisition was made is a good investment for the Group, and that the Acquisition increased the Group's shareholding of CIMC and its percentage share of the results of the CIMC group, and will strengthen the Group's capability in container related businesses, improve the allocation of resources of the Group and contribute to the continued development of the Group's businesses. The Company currently intends to closely monitor the share prices of CIMC so as to formulate its strategy for the Group's investment in CIMC, which may include the acquisition of additional B shares. However, the Company does not currently intend to increase its percentage interest in CIMC to more than 25.31%. The Company will comply with all applicable Listing Rules and make further announcement(s) where necessary in any future acquisition of additional B shares of CIMC.

The board of directors (including the independent non-executive directors) of the Company believes that the terms of the Acquisition are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## **GENERAL**

A circular containing further information on the Acquisition will be despatched to the shareholders of the Company as soon as practicable.

## DEFINITIONS

“Acquisition”	the acquisition of a total of 113,067,401 B shares of CIMC by COSCO Container on the Shenzhen Stock Exchange in the PRC during the period from 10 December 2007 to 6 March 2008
“CIMC”	China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱(集團)股份有限公司)
“Company”	COSCO Pacific Limited
“COSCO Container”	COSCO Container Industries Limited, a company limited by shares and incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC

By Order of the Board  
**COSCO Pacific Limited**  
**XU Minjie**  
*Vice Chairman & Managing Director*

Hong Kong, 6 March 2008

*As at the date of this announcement, the directors of the Company are Dr. WEI Jiafu<sup>2</sup> (Chairman), Mr. CHEN Hongsheng<sup>1</sup>, Mr. LI Jianhong<sup>1</sup>, Mr. XU Lirong<sup>2</sup>, Ms. SUN Yueying<sup>1</sup>, Mr. XU Minjie<sup>1</sup> (Vice Chairman & Managing Director), Dr. SUN Jiakang<sup>2</sup>, Dr. WONG Tin Yau, Kelvin<sup>1</sup>, Mr. WANG Zhi<sup>1</sup>, Mr. YIN Weiyu<sup>1</sup>, Dr. LI Kwok Po, David<sup>3</sup>, Mr. LIU Lit Man<sup>3</sup>, Mr. CHOW Kwong Fai, Edward<sup>3</sup> and Mr. Timothy George FRESHWATER<sup>3</sup>.*

<sup>1</sup> Executive Director

<sup>2</sup> Non-executive Director

<sup>3</sup> Independent Non-executive Director