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COSCO Pacific Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

FURTHER CLARIFICATION IN RESPECT OF TENDER FOR CONCESSION RIGHTS OF THE PIRAEUS PORT AND RESUMPTION OF TRADING

Further clarification in respect of tender for concession rights of the Piraeus Port

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board noted the difference in the Bid price for the Project of approximately Euro 498 million (referred to as approximately Euro 500 million in the Announcement) as stated by the Company and the amount of approximately Euro 4.30 billion as described by the PPA, and wishes to state that the Board understands that such difference arise principally as a result of different accounting methodologies used in determining the amount of the Bid and the different categories of costs included in such amount.

Suspension and resumption of trading

At the request of the Company, trading in the shares of the Company has been suspended from 9:43 a.m. on 10th June, 2008 pending release of this announcement. An application has been made by the Company to resume trading of its shares from 9:30 a.m. on 11th June, 2008.

Further clarification in respect of tender for concession rights of the Piraeus Port

This announcement is made by COSCO Pacific Limited (the "Company") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Reference is made to the announcement of the Company dated 4th June, 2008 (the “Announcement”). Unless otherwise specified herein, terms used in the Announcement shall have the same meaning herein.

In early February 2008, the government of Greece, PPA and the Thessaloniki Port Authority SA (“TPA”) in Greece launched internationally competitive tenders inviting companies from around the world to submit bids for concessions to upgrade and operate Piers 2 and 3 of the Piraeus Port and Pier 6 of Thessaloniki Port.

In terms of throughput, the Piraeus Port and the Thessaloniki Port are the two largest container terminals in Greece, and the Piraeus Port is one of the top ten container terminals in Europe. More importantly, Piraeus is located in the commercially and strategically important shipping lane used to service Europe, North Africa and the Mediterranean. An investment in the Piraeus Port and the Thessaloniki Port offers the Company an excellent opportunity to invest in major terminals outside of China, which in turn aligns with its corporate strategy of becoming a leading global port operator.

The Company submitted separate bids to PPA and TPA for the concessions of the Piraeus Port and the Thessaloniki Port in May 2008. As at the date of this announcement, the Company has not received any formal notification from PPA and TPA on the results of the tenders.

In a press release issued by PPA dated 3rd June, 2008 and as reported in various press articles, the Company's total bid for the Project was approximately Euro 4.3 billion, whereas in the Announcement, the Company stated that the price offered under the Bid for the Project was approximately Euro 500 million.

The Board noted the difference in the Bid amounts for the Project as stated by the Company and by PPA, and wishes to state that the Board understands that such difference arises principally as a result of different accounting methodologies used in determining the amount of the Bid and the different categories of costs included in such amount.

The Board wishes to clarify that the Bid amount of approximately Euro 498 million (referred to as approximately Euro 500 million in the Announcement) refers to the financial offer price component of the Bid (“Financial Offer Price”), which is calculated on a present value basis. The Financial Offer Price is the only component under the Bid that would vary among different bidders, whilst all other components of the Bid are the same for all bidders. The Board also understands that, in selecting the provisional highest bidder among participating bidders to move to the subsequent stages in the tender process, the evaluation committee of PPA would take into account the financial offer price component of the bids submitted by bidders.

The Bid amount of Euro 4.30 billion as described by the press release of PPA includes, in addition to such financial offer price mentioned above, all other non-variable fee commitments comprising the bid, including an upfront concession fee, an annual rental fee based on the container terminal’s length of the berthing dock and an annual rental fee for the container terminal’s surface of quays. Those fees must be paid by

the successful bidder under the rules of tender issued by PPA, calculated on a nominal value basis and payable annually over the entire 35-year concession period of the Project.

A summary of the key financials of the Bid made by the Company for the Project is set out below:

	<u>For the 35-year Concession Period</u>	
	<u>Nominal Price</u> (EURO '000)	<u>Present value discounted at a rate of 9% per annum (Note 2)</u> (EURO '000)
Projected Revenue (<i>Note 1</i>)	15,133,312	
Projected Cumulative Concession fee (not guaranteed)	3,663,829	664,020
Cumulative Rental Fee for the length of berthing dock	417,601	82,510
Cumulative Rental Fee for quay surface of container terminal	173,405	34,224
Upfront Concession Fee	50,000	50,000
Projected Cumulative Payments to PPA over the concession term	4,304,835	830,754
Financial Offer Price (guaranteed payment representing 75% of the Projected Concession Fee)	2,747,871	498,015

Notes: 1. The Projected Revenue was determined solely for the purposes of calculating the Company's Financial Offer Price.

2. Such discount rate was specified by the call for tender issued by PPA

The Board also noted that, as stipulated under the rules of the tender issued by PPA, after a provisional highest bidder for the Project is selected by the evaluation committee of PPA, the tender process would proceed to certain further procedures, including, among other things:

- Negotiation of the terms of the formal concession agreement between PPA and the selected provisional highest bidder;
- Upon successful completion of negotiation, execution of formal concession agreement with PPA; and
- Ratification of the executed concession agreement by the Hellenic Republic, which would involve hearings and public debate by the relevant committee(s) and plenary session of the Greek Parliament and final vote by the plenary session of the Greek Parliament.

The Company will issue further announcement(s) regarding the latest development of the Bid as and when appropriate and in compliance with the requirements of the Listing Rules.

To conclude, the Board will continue to formulate strategies to strengthen the Company's terminal portfolio in overseas and China and aim to further enhance the Company's profitability and maximize its returns for its shareholders.

Suspension and resumption of trading

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On behalf of the Board
COSCO Pacific Limited
XU Minjie
Vice Chairman & Managing Director

Hong Kong, 10th June, 2008

As at the date of this announcement, the Board of Directors of the Company comprises the following:

Dr. WEI Jiafu² (Chairman), Mr. CHEN Hongsheng¹, Mr. LI Jianhong¹, Mr. XU Lirong², Ms. SUN Yueying¹, Mr. XU Minjie¹ (Vice Chairman & Managing Director), Dr. SUN Jiakang², Dr. WONG Tin Yau, Kelvin¹, Mr. WANG Zhi¹, Mr. YIN Weiyu¹, Dr. LI Kwok Po, David³, Mr. CHOW Kwong Fai, Edward³ and Mr. Timothy George FRESHWATER³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director