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COSCO Pacific Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

POSSIBLE DISCLOSEABLE TRANSACTION

PROPOSED AMENDMENT TO CONCESSION AGREEMENT IN RELATION TO THE CONTAINER TERMINAL OF PIERS 2 AND 3 OF PIRAEUS PORT

Amendment to Concession Agreement

References are made to the Company's announcements dated 29th October 2008 and 25th November 2008.

As disclosed in the announcement dated 25th November 2008, the Company, PCT (a wholly-owned subsidiary of the Company) and PPA signed the Concession Agreement on the same date.

Under the Concession Agreement, in consideration of the payments specified thereunder (which include, among others, two fixed annual fees, and a variable annual concession fee which is determined by reference to the actual revenue of PCT in each relevant year and is subject to a guaranteed minimum annual payment), PPA agreed to grant a concession to PCT for (a) the development, operation and utilisation of the existing Pier 2; and (b) the construction, operation and utilisation of the Eastern Part of Pier 3. The Concession is for an initial term of 30 years, with a mandatory extension for a term of 5 years subject to PCT's fulfillment of its obligations to construct the Eastern Part of Pier 3 in accordance with the timetable agreed in the Concession Agreement.

PCT has been in negotiation with PPA to amend various terms of the Concession Agreement. It is intended that such amendments will be effected by the Amendment Agreement to be signed between PCT and PPA. The material terms of the Amendment Agreement have been approved in principle by the respective boards of directors of PCT and PPA and are summarised in the "AMENDMENT AGREEMENT" section below.

As of the date of this announcement, the Amendment Agreement has not yet been signed. It is intended that the execution of the Amendment Agreement between PCT and PPA will take place upon the approval of the Amendment Agreement by the shareholders of PPA and the approval of the Amendment Agreement by the Hellenic Court of Audit. Thereafter the Amendment Agreement will only become effective after it has been ratified by the Hellenic Parliament.

The Company will make an announcement (a) in the event that any of the material terms of the Amendment Agreement are changed prior to its execution; (b) upon the execution of the Amendment Agreement; and (c) in the event of amendment of any material terms of the Amendment Agreement after its execution.

Pursuant to the Amendment Agreement: (a) the variable annual concession fee payable by PCT will no longer be subject to the guaranteed minimum payment until the date the Western Part of Pier 3 enters into operation and in any event until the GDP returns to an adjusted level taking the GDP in 2008 (i.e. €10,443 million) as the base plus a compounded increase of 2% per annum; (b) PCT shall upgrade the capacity of Pier 2 and construct the Western Part of Pier 3 (the total cost of which is estimated to amount to €30 million (equivalent to approximately HK\$2,436 million); (c) PCT will construct and put into operation, on behalf of PPA, a new oil pier on the Southern Part of Pier 3 (at a cost estimated by PCT to be approximately €8 million (equivalent to approximately HK\$296 million)); and (d) PPA will reimburse PCT for the cost of constructing the new oil pier within a period of 20 years with a two (2)-year grace period, with interest at the rate of the Euribor +4%.

The total consideration payable by PCT under the Amendment Agreement is estimated to amount to €58 million (equivalent to approximately HK\$2,732 million).

The Directors consider that the terms of the Amendment Agreement are fair and reasonable, and in the interest of the Shareholders as a whole.

Implications under the Listing Rules

As at the date of this announcement, the highest applicable percentage ratio calculated in accordance with Chapter 14 of the Listing Rules in relation to the execution of the Amendment Agreement exceeds 5% but is less than 25%. The Amendment Agreement shall, upon its entry into force, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

The Amendment Agreement will, once executed, only enter into force upon its ratification by the Hellenic Parliament. As the Amendment Agreement may or may not enter into force, Shareholders and potential investors of the Company are advised to exercise caution in dealing with the Shares.

BACKGROUND

As disclosed in the announcement dated 25th November 2008, the Company, PCT (a wholly-owned subsidiary of the Company) and PPA signed the Concession Agreement on the same date.

Under the Concession Agreement, in consideration of the payments specified thereunder (which include, among others, two fixed annual fees, and a variable annual concession fee which is determined by reference to the actual revenue of PCT in each relevant year and is subject to a guaranteed minimum annual payment), PPA agreed to grant a concession to PCT for (a) the development, operation and utilisation of the existing Pier 2; and (b) the construction, operation and utilisation of the Eastern Part of Pier 3.

The Concession is for an initial term of 30 years, with a mandatory extension for a term of 5 years subject to PCT's fulfillment of its obligations to construct the Eastern Part of Pier 3 in accordance with the timetable agreed in the Concession Agreement.

AMENDMENT AGREEMENT

PCT has been in negotiation with PPA to amend various terms of the Concession Agreement. It is intended that such amendments will be effected by the Amendment Agreement to be signed between PCT and PPA. The material terms of the Amendment Agreement have been approved in principle by the respective boards of directors of PCT and PPA, and are summarised below.

Pursuant to the Amendment Agreement, PCT will continue to pay PPA the two fixed annual fees (which will not change pursuant to the Amendment Agreement) and a variable annual concession fee (which will be calculated based on the aggregate revenue of PCT for Pier 2 and Pier 3, including, following construction of the Western Part of Pier 3, the turnover generated by the Western Part of Pier 3). However, pursuant to the Amendment Agreement: (a) the variable annual concession fee payable by PCT will no longer be subject to the guaranteed minimum payment until the date the Western Part of Pier 3 enters into operation and in any event until the GDP returns to an adjusted level taking the GDP in 2008 (i.e. €10,443 million) as the base plus a compounded increase of 2% per annum; (b) PCT shall upgrade the capacity of Pier 2 and construct the Western Part of Pier 3 (the total cost of which is estimated to amount to €30 million (equivalent to approximately HK\$2,436 million)); (c) PCT will construct and put into operation, on behalf of PPA, a new oil pier on the Southern Part of Pier 3 (at a cost estimated by PCT to be approximately €28 million (equivalent to approximately HK\$296 million)); and (d) PPA will reimburse PCT for the cost of constructing the new oil pier within a period of 20 years with a two (2)-year grace period, with interest at the rate of the Euribor +4%.

The total consideration payable by PCT under the Amendment Agreement is estimated to amount to €58 million (equivalent to approximately HK\$2,732 million).

The expected cost for (a) constructing the Western Part of Pier 3 and upgrading the capacity of Pier 2; and (b) constructing the new oil pier is determined on the basis of evaluations conducted by independent engineering and technical consultants.

Upon the completion of its construction by PCT, the Western Part of Pier 3 will also be subject to the Concession granted by PPA to PCT under the Concession Agreement (as amended by the Amendment Agreement), although the new oil pier will not be.

Pursuant to the Concession Agreement (as amended by the Amendment Agreement), PCT shall cause the terms of the letters of guarantee provided by PCT in favour of PPA under the Concession Agreement to be amended as follows:

1. in respect of the letter of guarantee in the sum of €61.4 million (equivalent to approximately HK\$650 million) provided by PCT as guarantee for the performance of its obligation for the operation of Pier 2 and the Eastern Part of Pier 3, the terms shall be amended so that such letter of guarantee shall, after the Western Part of Pier 3 is put into operation by PCT, also cover PCT's obligation to operate the Western Part of Pier 3; and
2. in respect of the letter of guarantee in the sum of €42 million (equivalent to approximately HK\$445 million) provided by PCT as guarantee for the performance of its obligation for the construction of the Eastern Part of Pier 3, the terms shall be amended so that (a) the amount of such letter of guarantee will not be reduced upon the completion of the construction of the Eastern Part of Pier 3; (b) such letter of guarantee will not be returned to PCT upon completion of the construction of the Eastern Part of Pier 3; (c) such letter of guarantee shall also cover PCT's obligation to construct the Western Part of Pier 3; (d) the amount of such letter of guarantee shall be reduced by 50% to €21 million (equivalent to approximately HK\$222 million) upon the issuance of a construction inspection certificate by PPA certifying the completion of the construction of the Western Part of Pier 3; and (e) the expiry date of such letter of guarantee shall be extended from 12 months after the time of issuance of a construction inspection certificate by PPA certifying the completion of the construction of the Eastern Part of Pier 3 to 12 months after the issuance of a construction inspection certificate by PPA certifying the completion of the construction of the Western Part of Pier 3.

PCT will further provide a letter of guarantee in favour of PPA as guarantee for the performance of PCT's obligation in respect of the construction of the new oil pier. According to Greek law the letter of guarantee that PCT will have to provide to PPA with respect to the construction of the new oil pier will amount to between 2% and 4% of the budgeted construction cost (which as mentioned above is estimated by PCT to amount to approximately €28 million (equivalent to approximately HK\$296 million)), which will be determined in accordance with the Concession Agreement (as amended by the Amendment Agreement). However, PCT will require the same letter of guarantee (under back-to-back terms, that is, for the same amount and with the same terms) from the company that will undertake the actual construction of the new oil pier. The amount of such letter of guarantee shall be reduced by 50% upon the issuance of a construction inspection certificate by PPA certifying the completion of the construction of the new oil pier and such letter of guarantee shall expire and be returned to PCT 12 months after the issuance of a construction inspection certificate by PPA certifying the completion of the construction of the new oil pier.

The Company and PCT will finance the capital expenditure in relation to the projects contemplated by the Amendment Agreement by a combination of internal resources, external project financing and bank borrowing.

The new oil pier, including the underground pipelines and access roads, will be managed by PPA and is excluded from the Concession. PPA will reimburse PCT for the cost of the construction of the new oil pier within a period of 20 years, with a two (2)-year grace period, with interest at the rate of the Euribor +4%.

The construction of the Western Part of Pier 3 is expected to commence within 3 months after the Amendment Agreement comes into force and be completed within a period of 4 years from its commencement of work. The installation of the mechanical equipment at the Western Part of Pier 3 is expected to be completed within a period of 7 years from the commencement of the construction of the Western Part of Pier 3.

Save as amended by the Amendment Agreement, the terms of the Concession Agreement will remain unchanged and enforceable among the parties thereto.

The Amendment Agreement will enter into force upon its ratification of by the Hellenic Parliament.

REASONS FOR AND BENEFITS OF THE AMENDMENT AGREEMENT

The signing of the Amendment Agreement will support PCT to rationalise the payment of the concession fee when the market is unfavourable and the revenue is lower than the original forecast.

The proposed new construction and development projects at the Piraeus Port Container Terminal will further improve the terminal facilities and enhance the efficiency of the Piraeus Port Container Terminal. They will also help reinforce Piraeus Port as an international transshipment hub, enhance PCT's revenue generating capability and in the long run benefit PCT as the concessionaire of the Concession.

The Directors consider that the terms of the Amendment Agreement are fair and reasonable, and in the interest of the Shareholders as a whole.

INFORMATION ON THE GROUP, PCT, PPA AND PIRAEUS PORT

THE GROUP

The Group is principally engaged in the businesses of managing and operating terminals, container leasing, management and sale, and their related businesses.

PCT

PCT is a wholly-owned subsidiary of the Company established in Greece. PCT is principally engaged in the businesses of operating Pier 2 and Pier 3, including general cargo and container terminals and related operations.

PPA

The major activities of PPA are the operation of Piraeus Port, including passenger cruise ship, passenger ferry and car ferry terminals, general cargo and container terminals, an oil pier and related operations. It is also responsible for the maintenance of port facilities, the supply of port services (supply of water, electric current and telephone connections, etc.). PPA is listed on the Athens Stock Exchange. To the best of the knowledge of the Company,

PPA is indirectly owned as to approximately 74.14% by the Government of Greece. PPA and its beneficial owners are third parties independent of the Company and its connected persons.

PIRAEUS PORT

Piraeus Port is the hub for the connection of continental Greece with the islands, an international cruise center and a commercial hub of the Mediterranean. It is located in the commercially and strategically important shipping lane servicing, among other areas, Europe, North Africa and the Mediterranean.

IMPLICATION UNDER THE LISTING RULES

As at the date of this announcement, the highest applicable percentage ratio calculated in accordance with Chapter 14 of the Listing Rules in relation to the execution of the Amendment Agreement exceeds 5% but is less than 25%. The Amendment Agreement shall, upon its entry into force, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Amendment Agreement”	the amendment agreement relating to the Concession Agreement to be entered into between PCT and PPA
“Board”	the board of directors of the Company
“Company”	COSCO Pacific Limited, a limited liability company incorporated in Bermuda, the shares of which are listed on the main board of the Stock Exchange
“Concession”	the concession of the exclusive right to use and exploit Pier 2 and Pier 3, together with the adjacent sea area of the Piraeus Port Container Terminal which allows the mooring and servicing of ships
“Concession Agreement”	the concession agreement among PPA, PCT and the Company dated 25th November 2008 (as amended from time to time)
“Director(s)”	the director(s) of the Company
“Eastern Part of Pier 3”	the eastern part of Pier 3 of the Piraeus Port Container Terminal

“Euribor”	the average of rates offered by a group of reference banks for Euro deposits for a determined period calculated on the basis of a 360-day year by the Banking Federation of the European Union and is published at 11:00 am Brussels time, on page 248 of the Telerate server two TARGET business days prior to the starting date of the relevant interest period
“GDP”	in respect of any particular year, the gross domestic product of Greece for that year, as derived from the statistics published by the Hellenic Statistical Authority
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PCT”	Piraeus Container Terminal S.A., a company established in Greece and a wholly-owned subsidiary of the Company, the concessionaire of the Concession
“Pier 2”	Pier 2 of the Piraeus Port Container Terminal
“Pier 3”	the Eastern Part of Pier 3 or, upon the entry into force of the Amendment Agreement, the Eastern Part of Pier 3 and Western Part of Pier 3
“Piraeus Port Container Terminal”	the container terminal of Piraeus Port, currently consisting of Pier 1, Pier 2 and Pier 3
“PPA”	Piraeus Port Authority S.A., a company established in Greece, the grantor of the Concession
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	the shares of the Company
“Southern Part of Pier 3”	the southern part of Pier 3 of the Piraeus Port Container Terminal (to be constructed)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEU”	Twenty-foot containers subscribing to the standards adopted by the International Organization for Standardization
“Western Part of Pier 3”	the western part of Pier 3 of the Piraeus Port Container Terminal (to be constructed)
“€”	Euro, the common currency of the European Union

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent

In this announcement, unless otherwise stated, certain amounts denominated in € have been translated into HK\$ at an exchange rate of €1 = HK\$10.59, for illustration purpose only.

By Order of the Board
COSCO Pacific Limited
WANG Xingru
Vice Chairman & Managing Director

Hong Kong, 12th November 2013

As at the date of this announcement, the Board comprises Mr. LI Yunpeng² (Chairman), Dr. WANG Xingru¹ (Vice Chairman and Managing Director), Mr. WAN Min², Mr. WANG Haimin¹, Mr. FENG Jinhua¹, Mr. FENG Bo¹, Mr. WANG Wei², Mr. TANG Runjiang¹, Dr. WONG Tin Yau, Kelvin¹, Mr. QIU Jinguang¹, Mr. Timothy George FRESHWATER³, Dr. FAN HSU Lai Tai, Rita³, Mr. Adrian David LI Man Kiu³, Mr. IP Sing Chi³ and Mr. FAN Ergang³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director