

2011 Interim Results

Press Conference

24 August 2011



COSCO Pacific Limited

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Creating value for our shareholders

- **Terminal: World No. 5**
Net profit: US\$96.66m (YoY +144.3%)
Container Throughput: 24.25m TEU (YoY +19.7%)
Equity container throughput: 6.54m TEU (YoY +31.0%)
- **Container leasing: World No. 3**
Net profit: US\$56.20m (YoY +17.1%)
Container fleet capacity: 1.71m TEU (YoY +7.3%)
Utilization: 96.8% (YoY +1.4pp)
- **Container manufacturing: World No.1**
Net profit: US\$91.29m (YoY +238.8%)
- **Profit attributable to equity holders excluding non-recurring items:
US\$212.64m (YoY +116.5%)**

Gross profit margin expansion

Achieving terminal turnaround and container leasing revenue increase

- **Turnover: US\$278.67m (YoY +25.2%)**
 - Terminal: US\$149.50 m (YoY +44.8%)
 - Container Leasing: US\$129.28m (YoY +8.3%)
- **Gross Profit: US\$119.31m (YoY +71.0%)**
 - Terminal: US\$46.38m (YoY +329.6%)
 - Container Leasing: US\$73.04m (YoY +23.7%)
- **Gross Profit Margin: 42.8% (YoY +11.5pp)**
 - Terminal: 31.0% (YoY +20.5pp)
 - Container Leasing: 56.5% (YoY +7.1pp)

Strong results performance

Delivering net profit growth from all of three segments

P&L	1H2011 US\$ million	YoY	1H2010 US\$ million
Turnover	278.67	+25.2%	222.66
Gross profit	119.31	+71.0%	69.77
Operating profit	87.50	+58.9%	55.05
Operating profit after finance income & costs	63.08	+45.4%	43.37
Share of profits less losses of			
- Jointly controlled entities	49.24	+45.5%	33.85
- Associates	120.35	+281.2%	31.57
Income tax expenses	(16.55)	+1130.1%	(1.35)
Profit attributable to equity holders	237.04	+24.8%	189.94
Profit attributable to equity holders excluding non-recurring items	212.64	+116.5%	98.21

P&L	1H2011 US\$ million	YoY	1H2010 US\$ million
Profit attributable to equity holders	237.04	+24.8%	189.94
Profit on disposal of Qingdao Cosport	(12.56)	n/c	-
Reclassification of CP Nansha	(11.84)	n/c	-
Profit on disposal of COSCO Logistics	-	n/c	(84.71)
Profit on disposal of Dalian Port	-	n/c	(7.02)
Profit attributable to equity holders excluding non-recurring items	212.64	+ 116.5%	98.21

Stable dividend payout ratio

DPS / EPS	1H2011	YoY	1H2010
Basic earnings per share (excluding non-recurring items) ^{Note}	US7.84cents	+ 90.3%	US4.12cents
Basic earnings per share ^{Note}	US8.74cents	+ 9.8%	US7.96cents
Interim dividend per share	HK27.2 cents US3.496 cents	+98.5 %	HK13.7 cents US1.759 cents
Special dividend per share for the disposal gain of COSCO Logistics	-	n/c	HK11.1 cents US1.426 cents
Total dividend per share	HK27.2 cents US3.496 cents	+ 9.7 %	HK24.8 cents US3.185 cents
Payout ratio	40 %	—	40%

Note: 2011 interim Basic EPS is calculated based on the weighted average number of ordinary shares in issue during the period amounted to 2,711,726,755 shares.

Prudent financial policy

Maintaining healthy financial position

- **Cash on hand was increased to US\$680m.**
- **Comfortable net debt to total equity of 38.8% provides financial flexibility for future investment.**

Assets and Liabilities	30/06/2011	Change	31/12/2010
Net debt to total equity	38.8%	+9.2pp	29.6%
Total assets (US\$ million)	6,296	+19.9%	5,252
Total liabilities (US\$ million)	2,520	+43.3%	1,758
Total debt (US\$ million)	2,143	+37.5%	1,559
Net assets (US\$ million)	3,776	+8.1%	3,494
Net debts (US\$ million)	1,463	+41.5%	1,034
Cash on hand (US\$ million)	680	+29.7%	524

Note: Assets and liabilities of CP Nansha Group have been included into COSCO Pacific consolidated balance sheet since 1st January 2011.

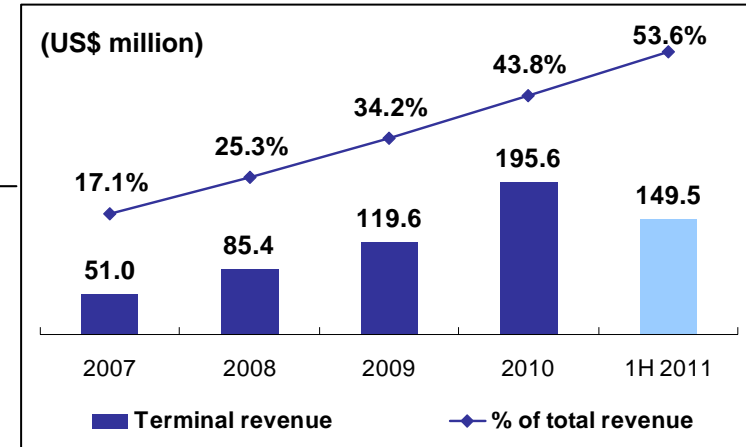
Terminal as the largest profit contributor

Accounting for about 40% of core profit

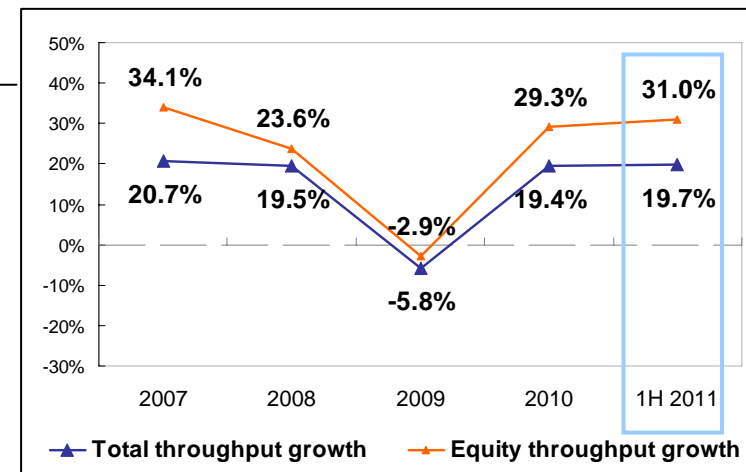
Terminal division	1H2011	YoY	1H2010
Divisional revenue ^{Note} (US\$ million)	149.50	+44.8%	103.27
% of total revenue	53.6%	+7.2pp	46.4%
Divisional profit (US\$ million)	96.66	+144.3%	39.57
Divisional profit % of total core profit	39.6%	+5.0pp	34.6%
Total throughput (TEUs)	24,249,265	+19.7%	20,251,095
Equity throughput (TEUs)	6,537,508	+31.0%	4,991,142
Annual handling capacity (TEUs)	52,367,500	+0.4%	52,160,000
No. of operating container berths	88	-4	92

Note : Terminal revenue in 2011 was generated mainly from Piraeus, Zhangjiagang Win Hanveky, Quanzhou Pacific, Yangzhou Yuanyang, Jinjiang Pacific and Nansha terminals.

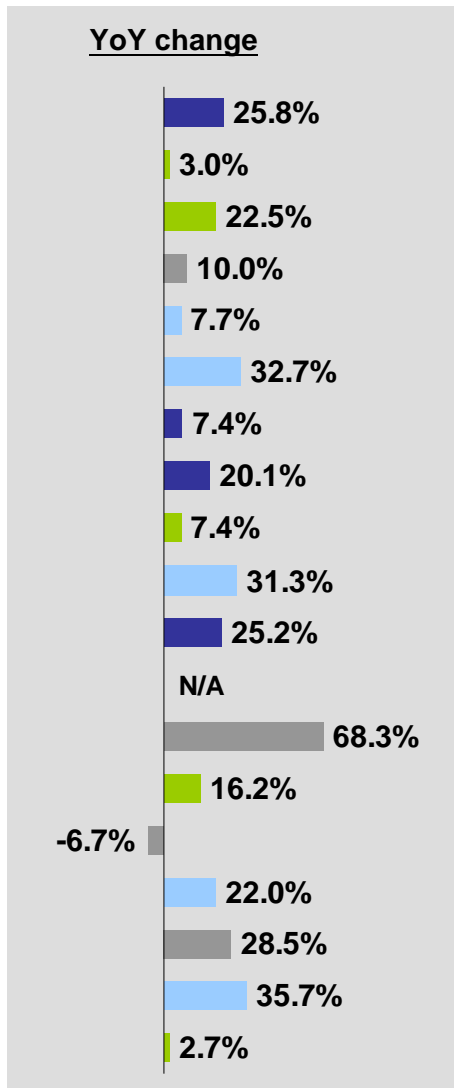
Terminal generated 53.6% of total revenue



Strong equity throughput growth by 31%

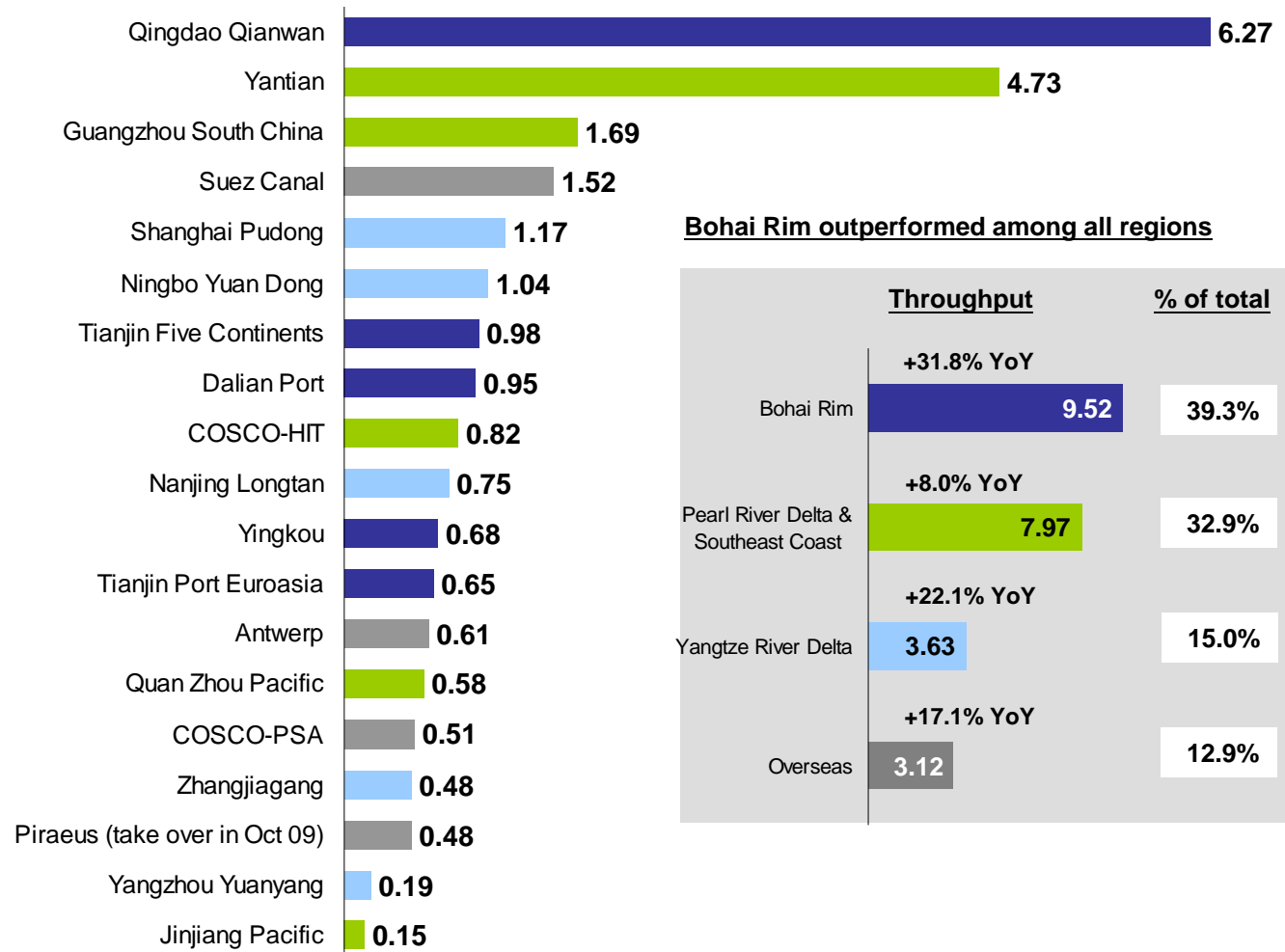


Container terminal throughput league table



Total throughput growth by 19.7% to 24.25m TEU

Million TEU



Bohai Rim outperformed among all regions

	<u>Throughput</u>	<u>% of total</u>
Bohai Rim	+31.8% YoY 9.52	39.3%
Pearl River Delta & Southeast Coast	+8.0% YoY 7.97	32.9%
Yangtze River Delta	+22.1% YoY 3.63	15.0%
Overseas	+17.1% YoY 3.12	12.9%

Focus on improving operating efficiency

Confirming terminal turnaround and investing for future market demand

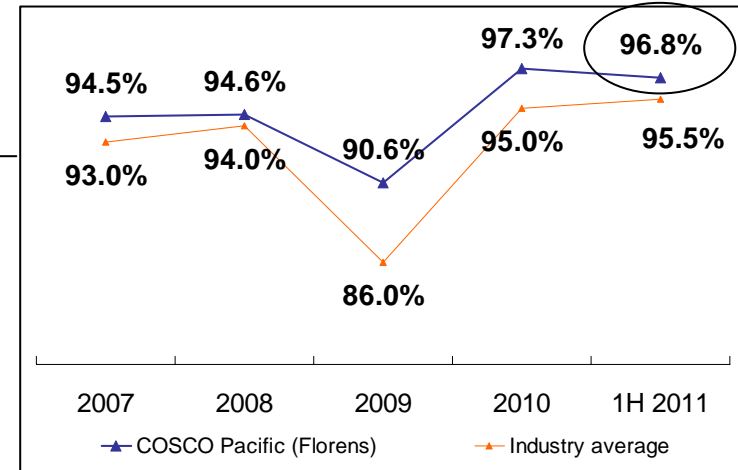
- **Piraeus Terminal**
 - Significant improvement of operating efficiency
 - Increasing confidence of international container liners to call Piraeus Terminal to lift substantial throughput growth in 2011
- **Guangzhou South China Oceangate Terminal** (“Guangzhou Nansha”)
 - Improving cargo mix with international cargo accounting more than 50% of total throughput in 2011
- **Investing in berth expansion and upgrading facilities of existing terminal subsidiaries.**

Solid container leasing growth

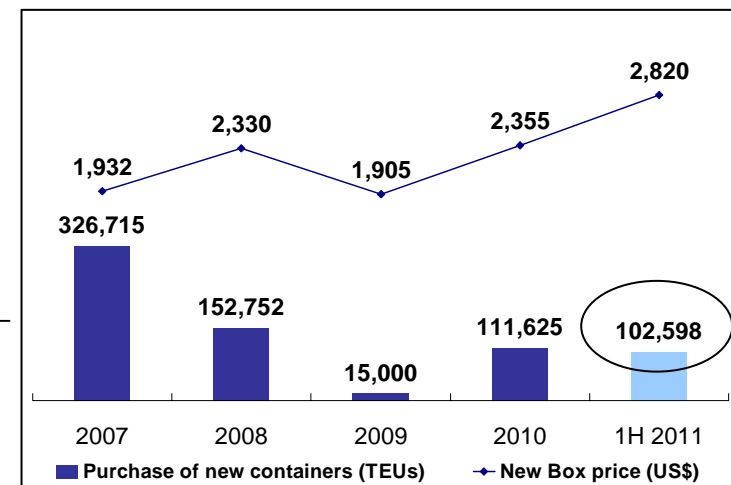
Expanding container leasing fleet while achieving high utilisation

Container leasing division	1H2011	YoY	1H2010
Divisional revenue (US\$ million)	129.28	+8.3%	119.39
- Leasing revenue	114.34	+18.0%	96.93
- Disposal of returned containers	9.52	-47.0%	17.95
- Management income	4.17	+24.8%	3.34
- Others	1.25	+7.0%	1.17
% of total revenue	46.4%	-7.2pp	53.6%
Divisional profit (US\$ million)	56.20	+17.1%	47.99
Divisional profit % of total core profit	23.0%	-18.9pp	41.9%
Fleet capacity (TEUs)	1,713,872	+7.3%	1,597,779
Global market share	13.0%	-1.4pp	14.4%
Average utilisation rate	96.8%	+1.4pp	95.4%
Purchase of new containers (TEUs)	102,598	+109.1%	49,056
Disposal of returned containers (TEUs)	4,777	-73.9%	18,288

Utilisation well above industry average

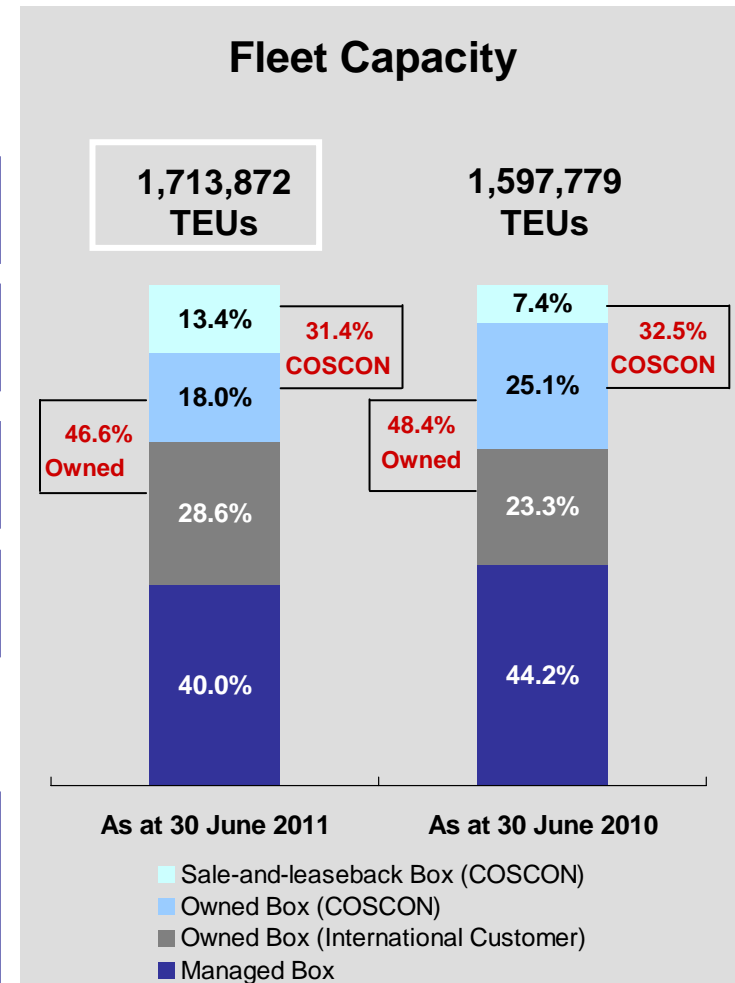
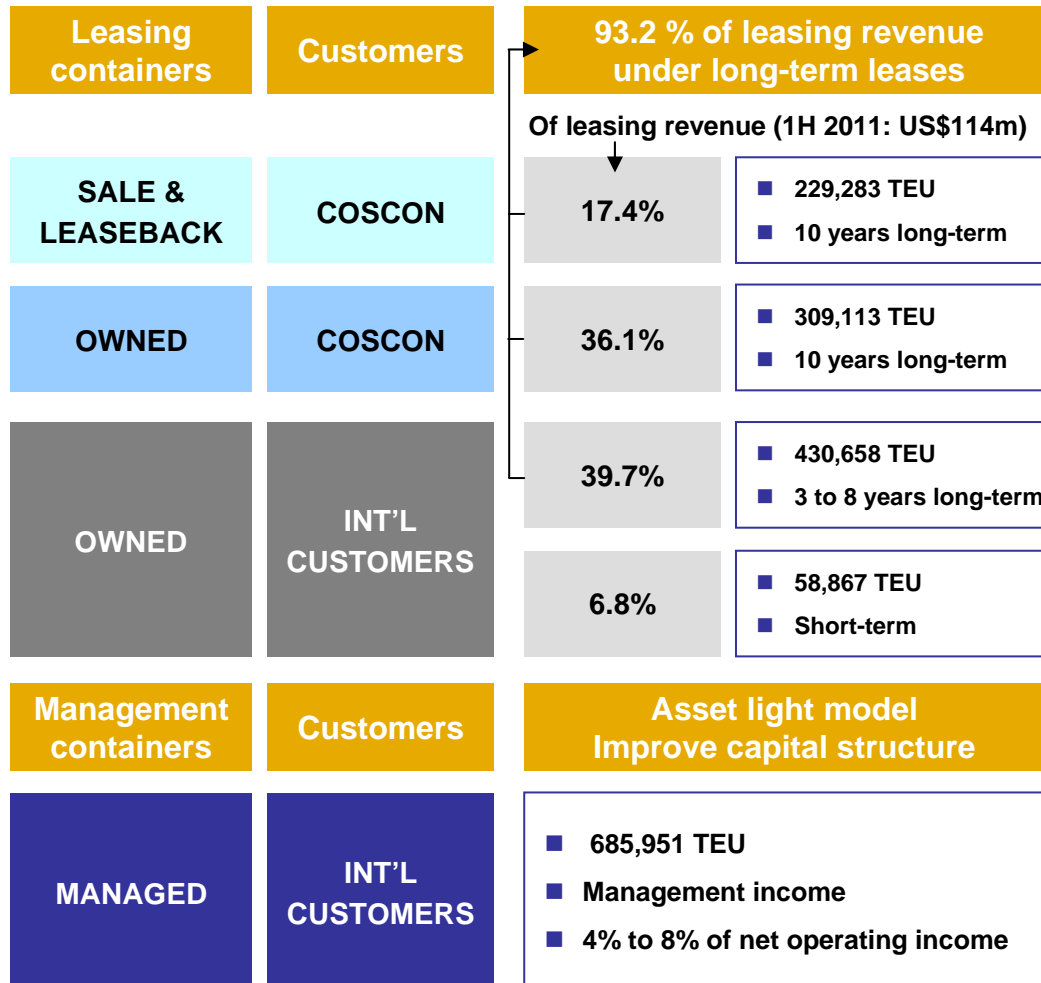


New container purchase increased by 109.1%



Container fleet mix

As at 30 June 2011



Business outlook in 2011

- **Terminal – Strong growth**
 - Throughput → outperformed
 - Tariff → increased
 - Turnarounds → confirmed
- **Leasing – Steady growth**
 - Market → advanced booking for 2012
 - Demand → 90% booking of new containers
 - Utilisation → remaining high