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COSCO Pacific Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

FINANCIAL AND OPERATIONAL HIGHLIGHTS FOR THE THREE MONTHS ENDED 31ST MARCH 2010

This announcement is made by the Company on a voluntary basis to enhance the practice of good corporate governance and further promote the transparency and accountability of the Company. The Company currently intends to continue to publish quarterly financial and operational highlights in the future.

The board of directors of COSCO Pacific Limited (the “Company”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31st March 2010.

Results Highlights

For the three months ended 31st March 2010, the profit attributable to equity holders of the Company increased by 207.0% to US\$133,247,000 (corresponding period of 2009: US\$43,397,000). Excluding the profit on disposal of the Group’s 49% equity interest in COSCO Logistics Co., Ltd. (“COSCO Logistics”) (net of tax and direct expenses) of US\$84,710,000, the profit attributable to equity holders of the Company was US\$48,537,000 (corresponding period of 2009: US\$43,397,000), an increase of 11.8%. Profit for the period from continuing operations of the Group was US\$49,333,000 (corresponding period of 2009: US\$35,939,000), an increase of 37.3%.

Unaudited Condensed Consolidated Balance Sheet

As at 31st March 2010

Note	As at 31st March 2010 US\$’000	As at 31st December 2009 US\$’000
ASSETS		
Non-current assets		
Property, plant and equipment	1,833,953	1,834,079
Investment properties	4,169	4,169
Leasehold land and land use rights	147,222	148,237
Intangible assets	6,525	5,719

Jointly controlled entities		429,349	431,132
Loans to jointly controlled entities		160,166	160,147
Associates		742,163	730,102
Loans to associates		34,023	32,440
Available-for-sale financial assets		320,000	320,000
Finance lease receivables		805	1,051
Deferred income tax assets		1,888	1,980
Derivative financial instruments		17,943	16,556
Other non-current assets	1	66,414	71,511
		3,764,620	3,757,123
Current assets			
Inventories		9,372	9,821
Trade and other receivables		225,478	182,315
Current income tax recoverable		1,304	1,355
Available-for-sale financial assets		-	20,581
Restricted bank deposits		14	14
Cash and cash equivalents		700,598	405,740
		936,766	619,826
Asset held for sale under discontinued operation	2	-	258,363
		936,766	878,189
Total assets		4,701,386	4,635,312
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		29,018	29,018
Reserves		2,757,958	2,686,147
Proposed final dividend		27,128	27,128
		2,814,104	2,742,293
Minority interests		114,214	116,058
Total equity		2,928,318	2,858,351
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		17,387	19,603
Long term borrowings		1,411,701	1,410,671
Other long term liabilities		372	744
		1,429,460	1,431,018

Current liabilities		
Trade and other payables	150,137	148,000
Current income tax liabilities	3,274	4,329
Current portion of long term borrowings	73,236	83,051
Short term bank loans	116,961	110,563
	<u>343,608</u>	<u>345,943</u>
Total liabilities	<u>1,773,068</u>	<u>1,776,961</u>
Total equity and liabilities	<u>4,701,386</u>	<u>4,635,312</u>
Net current assets	<u>593,158</u>	<u>532,246</u>
Total assets less current liabilities	<u>4,357,778</u>	<u>4,289,369</u>

Unaudited Condensed Consolidated Income Statement
For the three months ended 31st March 2010

		Three months ended	
		31st March	
		2010	2009
		US\$'000	US\$'000
	Note		
Continuing operations:			
Revenue		108,424	75,437
Cost of sales	3	<u>(78,539)</u>	<u>(40,851)</u>
Gross profit		29,885	34,586
Other operating income/(expenses), net		13,739	(919)
Administrative expenses		<u>(12,356)</u>	<u>(12,789)</u>
Operating profit		31,268	20,878
Finance income		1,042	1,518
Finance costs		<u>(9,399)</u>	<u>(12,488)</u>
Operating profit after finance income and costs		22,911	9,908
Share of profits less losses of			
- jointly controlled entities		13,615	10,517
- associates		12,015	13,394
Profit on disposal of a jointly controlled entity		<u>-</u>	<u>5,516</u>
Profit before income tax from continuing operations		48,541	39,335
Income tax credit/(expenses)		<u>792</u>	<u>(3,396)</u>
Profit for the period from continuing operations		<u>49,333</u>	<u>35,939</u>

Discontinued operation:			
Profit for the period from discontinued operation			
- profit on disposal of a jointly controlled entity, net of tax	2	84,710	-
- share of profit of a jointly controlled entity		<u>-</u>	<u>7,767</u>
		<u>84,710</u>	<u>7,767</u>
Profit for the period		<u>134,043</u>	<u>43,706</u>
Profit attributable to:			
Equity holders of the Company		133,247	43,397
Minority interests		<u>796</u>	<u>309</u>
		<u>134,043</u>	<u>43,706</u>
Earnings per share for profit attributable to the equity holders of the Company			
Basic			
- from continuing operations	4	US2.15 cents	US1.59 cents
- from discontinued operation	4	<u>US3.74 cents</u>	<u>US0.34 cents</u>
		<u>US5.89 cents</u>	<u>US1.93 cents</u>
Diluted			
- from continuing operations	4	US2.15 cents	US1.59 cents
- from discontinued operation	4	<u>US3.74 cents</u>	<u>US0.34 cents</u>
		<u>US5.89 cents</u>	<u>US1.93 cents</u>

Notes:

- Other non-current assets of the Group represent prepaid operating lease payments, which included the unamortised upfront concession fee incurred in respect of the concession agreement with Piraeus Port Authority S.A. for the concession of Piers 2 and 3 of the Piraeus Port in Greece for a term of 35 years ("Concession"). The Concession commenced on 1st October 2009.
- In March 2010, the disposal of COSCO Logistics was completed and resulted in a profit (net of tax and direct expenses) of US\$84,710,000.
- Cost of sales have been increased more than proportionately for the three months ended 31st March 2010 compared to the corresponding period of 2009 due to the operating costs relating to Piraeus Container Terminal S.A. which became a subsidiary of the Group in October 2009.
- Basic earnings per share were calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the three months ended 31st March 2010 of 2,262,525,573 (corresponding period of 2009: 2,245,029,298).

Diluted earnings per share for the three months ended 31st March 2010 were calculated based on the profit attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the three months ended 31st March 2010 of 2,263,024,300, after adjusting for the number of dilutive potential ordinary shares deemed to be issued at no

consideration as if all outstanding share options granted by the Company had been exercised. For the three months ended 31st March 2009, as the Company's outstanding share options did not have a dilutive effect on the earnings per share, the diluted earnings per share is equal to the basic earnings per share.

5. The accounting policies adopted in preparing the financial information for the three months ended 31st March 2010 are consistent with those used in the 2009 annual consolidated financial statements of the Group for the year ended 31st December 2009.

The financial information for the three months ended 31st March 2010 is based on the internal records and management accounts of the Group and are unaudited.

Operational Highlights

Terminals

For the three months ended 31st March 2010, total throughput handled by the Group's terminal companies reached 10,645,861 TEUs (corresponding period of 2009: 8,937,579 TEUs), an increase of 19.1% when compared with the corresponding period last year.

For the three months ended 31st March 2010, throughput of the container terminals in Bohai Rim, Yangtze River Delta, Pearl River Delta and Southeast Coast, and Overseas were 3,878,998 TEUs (corresponding period of 2009: 3,425,216 TEUs), 2,011,319 TEUs (corresponding period of 2009: 1,910,891 TEUs), 3,447,536 TEUs (corresponding period of 2009: 2,727,701 TEUs) and 1,308,008 TEUs (corresponding period of 2009: 873,771 TEUs) respectively, representing an increase of 13.2%, 5.3%, 26.4% and 49.7% respectively when compared with the corresponding period last year.

For the three months ended 31st March 2010, throughput of the Group's operating terminals was as set out below:

	Three months ended		y-o-y change
	31st March		
	2010	2009	
	(TEUs)	(TEUs)	
Bohai Rim	3,878,998	3,425,216	+13.2%
Qingdao Qianwan Container Terminal Co., Ltd.	2,397,439	2,175,881	+10.2%
Qingdao Cosport International Container Terminals Co., Ltd.	297,881	283,271	+5.2%
Dalian Port Container Terminal Co., Ltd.	402,698	313,950	+28.3%
Tianjin Five Continents International Container Terminal Co., Ltd.	431,427	432,461	-0.2%
Tianjin Port Euroasia International Container Terminal Co., Ltd. ^{Note 1}	67,208	N/A	N/A
Yingkou Container Terminals Company Limited	282,345	219,653	+28.5%
Yangtze River Delta	2,011,319	1,910,891	+5.3%
Shanghai Pudong International Container Terminals Limited	491,217	561,429	-12.5%
Shanghai Container Terminals Limited	690,584	715,483	-3.5%
Ningbo Yuan Dong Terminals Limited	315,987	245,323	+28.8%
Zhangjiagang Win Hanverky Container Terminal Co., Ltd.	189,516	134,183	+41.2%
Yangzhou Yuanyang International Ports Co. Ltd.	66,038	40,580	+62.7%
Nanjing Port Longtan Container Co., Ltd.	257,977	213,893	+20.6%
Pearl River Delta and Southeast Coast	3,447,536	2,727,701	+26.4%
COSCO-HIT Terminals (Hong Kong) Limited	346,328	298,020	+16.2%
Yantian International Container Terminals Co., Ltd.	2,176,063	1,837,800	+18.4%
Guangzhou South China Oceangate Container Terminal Company Limited	644,325	348,883	+84.7%
Quan Zhou Pacific Container Terminal Co., Ltd.	221,229	188,394	+17.4%
Jinjiang Pacific Ports Development Co., Ltd.	59,591	54,604	+9.1%
Overseas	1,308,008	873,771	+49.7%
Piraeus Container Terminal S.A.	191,232	N/A	N/A
Suez Canal Container Terminal S.A.E.	693,194	575,726	+20.4%
COSCO-PSA Terminal Private Limited	262,569	162,035	+62.0%
Antwerp Gateway NV	161,013	136,010	+18.4%
Total container throughput in China	<u>9,337,853</u>	<u>8,063,808</u>	+15.8%
Total container throughput	<u>10,645,861</u>	<u>8,937,579</u>	+19.1%
Total break-bulk cargo throughput (tons)	<u>5,856,682</u>	<u>2,688,414</u>	+117.8%

Note 1: Tianjin Port Euroasia International Container Terminal Co., Ltd. commenced operation on a trial run basis in January 2010.

Note 2: Throughput of Dalian Port Container Co., Ltd. was excluded in 2009 total throughput. The Group signed an agreement for the disposal of the 8.13% equity interest in Dalian Port Container Co., Ltd. in June 2009 and the disposal was completed in January 2010. The terminal company handled 628,790 TEUs in the first quarter of 2009.

Container Leasing, Management and Sale

As at 31st March 2010, the Group operated and managed a container fleet of 1,565,291 TEUs, representing a decrease of 3.1% when compared with 1,615,202 TEUs as at 31st March 2009. Among the total fleet capacity, 46.9% (31st March 2009: 46.2%) was owned containers, 45.6% (31st March 2009: 46.5%) was managed containers and 7.5% (31st March 2009: 7.3%) was sale-and-leaseback containers. The overall average utilisation rate for the three months ended 31st March 2010 was 93.5% (three months ended 31st March 2009: 91.3%).

As at 31st March 2010, the breakdown of the fleet capacity was as follows:

		As at 31st March 2010	As at 31st March 2009	y-o-y change
<u>Owned containers</u>				
COSCO Container Lines Company Limited	TEUs % of Total	398,068 25.4	430,463 26.6	-7.5% -1.2pp
International customers	TEUs % of Total	336,437 21.5	316,244 19.6	+6.4% +1.9pp
<u>Managed containers</u>				
International customers	TEUs % of Total	712,692 45.6	750,401 46.5	-5.0% -0.9pp
<u>Sale-and-leaseback containers</u>				
COSCO Container Lines Company Limited	TEUs % of Total	118,094 7.5	118,094 7.3	- +0.2pp
Total fleet capacity	TEUs	1,565,291	1,615,202	-3.1%

Container Manufacturing

The profit contribution from the container manufacturing business to the Group declined by 41.1% to US\$10,360,000 (corresponding period of 2009: US\$17,602,000). It included profit attributable to China International Marine Containers (Group) Co., Ltd. of US\$10,360,000 (corresponding period of 2009: US\$12,086,000), a drop of 14.3%, and profit on disposal of Shanghai CIMC Reefer Containers Co., Ltd. of US\$5,516,000 in 2009.

Caution Statement

The Company's shareholders and potential investors should note that all the figures contained herein are unaudited. Investors are cautioned not to rely on the financial and operational highlights for the three months ended 31st March 2010.

The Company's shareholders and potential investors are urged to exercise caution when dealing in the shares of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

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

Hong Kong, 28th April 2010

As at the date of this announcement, the board of directors of the Company comprises Mr. CHEN Hongsheng² (Chairman), Mr. LI Jianhong¹, Mr. XU Lirong², Ms. SUN Yueying¹, Mr. XU Minjie¹ (Vice Chairman & Managing Director), Dr. SUN Jiakang², Mr. HE Jiale¹, Dr. WONG Tin Yau, Kelvin¹, Mr. YIN Weiyu¹, Dr. LI Kwok Po, David³, Mr. CHOW Kwong Fai, Edward³, Mr. Timothy George FRESHWATER³ and Dr. FAN HSU Lai Tai, Rita³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director