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COSCO Pacific Limited
中遠太平洋有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1199)

FINANCIAL AND OPERATIONAL HIGHLIGHTS
FOR THE THREE MONTHS ENDED 31 MARCH 2016

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 31 March 2016.

Results Highlights

For the three months ended 31 March 2016, profit attributable to equity holders of the Company increased by 31.4% to US\$109,060,000 (corresponding period of 2015: US\$82,976,000). Excluding the gain on disposal of all the shares in Florens Container Holdings Limited (“FCHL”, representing the container leasing, management and sales, and related businesses of the Group) and profit for the period, profit attributable to equity holders of the Company decreased by 25.8% to US\$42,966,000 (corresponding period of 2015: US\$57,943,000).

- On 18 March 2016, the Company completed its acquisition of all the issued shares in China Shipping Ports Development Co., Limited (“CSPD”). The adoption of merger accounting has resulted in changes to the presentation of certain comparative figures which have been reclassified to conform to the current year’s presentation.
- The Group’s total container throughput of its terminals business grew by 2.9% year-on-year to 22,239,180 TEU (corresponding period of 2015: 21,602,746 TEU). Equity throughput rose by 3.1% to 6,868,963 TEU (corresponding period of 2015: 6,660,132 TEU). Uncertain global economic outlook and negative growth in China’s foreign trade have constituted downward pressure to the Group’s container terminals business.
- On 24 March 2016, the Company completed the disposal of all the issued shares in FCHL. FCHL ceased to be a subsidiary of the Company. As a result of the disposal, the Group is expected to recognise a gain of approximately US\$59,021,000. For the three months ended 31 March 2016, profit from FCHL attributable to equity holders of the Company amounted to US\$7,073,000 (corresponding period of 2015: US\$25,033,000).

Unaudited Condensed Consolidated Balance Sheet
As at 31 March 2016

	Note	As at 31 March 2016 US\$'000	As at 31 December 2015 US\$'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment		2,453,689	4,219,262
Investment properties		25,242	28,860
Land use rights		220,862	220,819
Intangible assets		5,266	7,245
Joint ventures		1,434,363	1,413,204
Loans to joint ventures		61,210	61,107
Associates		1,385,935	1,375,475
Loan to an associate		28,617	27,409
Available-for-sale financial assets		170,369	171,787
Finance lease receivables		-	33,450
Deferred income tax assets		1,427	1,947
Other non-current assets		71,002	74,748
		<u>5,857,982</u>	<u>7,635,313</u>
Current assets			
Inventories		9,123	14,600
Trade and other receivables		215,988	286,541
Restricted bank deposits		828	1,020
Cash and cash equivalents		1,135,833	923,171
		<u>1,361,772</u>	<u>1,225,332</u>
Total assets		<u>7,219,754</u>	<u>8,860,645</u>
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		38,090	38,090
Reserves		4,472,412	5,810,991
		<u>4,510,502</u>	<u>5,849,081</u>
Non-controlling interests		<u>430,046</u>	<u>417,995</u>
Total equity		<u>4,940,548</u>	<u>6,267,076</u>

LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	51,293	46,733
Long term borrowings	1,221,049	1,799,265
Loan from a non-controlling shareholder of a subsidiary	-	50,000
Other long term liabilities	84,620	30,235
	<u>1,356,962</u>	<u>1,926,233</u>
Current liabilities		
Trade and other payables	324,735	365,549
Current income tax liabilities	10,631	14,048
Current portion of long term borrowings	69,587	68,723
Short term borrowings	211,232	219,016
Dividend payable	306,059	-
	<u>922,244</u>	<u>667,336</u>
Total liabilities	<u>2,279,206</u>	<u>2,593,569</u>
Total equity and liabilities	<u>7,219,754</u>	<u>8,860,645</u>

Unaudited Condensed Consolidated Income Statement
For the three months ended 31 March 2016

	Note	Three months ended	
		2016	2015
		US\$'000	US\$'000
			(Restated)
Continuing operations:			
Revenues		128,667	131,659
Cost of sales		<u>(82,478)</u>	<u>(84,651)</u>
Gross profit		46,189	47,008
Administrative expenses		(20,741)	(15,725)
Other operating expenses, net		<u>(209)</u>	<u>(1,685)</u>
Operating profit		25,239	29,598
Finance income		4,121	6,858
Finance costs		<u>(13,284)</u>	<u>(14,554)</u>

Operating profit (after finance income and costs)		16,076	21,902
Share of profits less losses of			
- joint ventures		24,608	25,716
- associates		19,737	24,208
Profit before income tax from continuing operations		60,421	71,826
Income tax expenses		(12,031)	(9,367)
Profit for the period from continuing operations		48,390	62,459
Discontinued operation:	2		
Gain on disposal of discontinued operation		59,021	-
Profit for the period from discontinued operation		7,526	25,522
		66,547	25,522
Profit for the period		114,937	87,981
Profit attributable to:			
Equity holders of the Company		109,060	82,976
Non-controlling interests		5,877	5,005
		114,937	87,981
Earnings per share for profit attributable to the equity holders of the Company			
Basic	4		
- from continuing operations		US 1.45 cents	US 1.97 cents
- from discontinued operation		US 2.23 cents	US 0.85 cents
		US 3.68 cents	US 2.82 cents
Diluted	4		
- from continuing operations		US 1.45 cents	US 1.97 cents
- from discontinued operation		US 2.23 cents	US 0.85 cents
		US 3.68 cents	US 2.82 cents

Notes:

- On 18 March 2016, the Company completed its acquisition of all the issued shares in CSPD for a total consideration of US\$1,161,963,000 (subject to completion accounts adjustments). The Company acquired 51% and 49% of the shares in CSPD from China Shipping (Hong Kong) Holdings Co., Limited and China Shipping Container Lines Company Limited, respectively. CSPD therefore became a wholly owned subsidiary of the Company after the completion of the acquisition. The Company's acquisition of CSPD is considered to be a business combination under common control as their respective ultimate holding companies are both under the common control of the State-owned Assets Supervision and Administration Commission of the State Council. As such, the consolidated financial statements for the three months ended 31 March 2015 and the financial position as at 31 December 2015 disclosed in these

consolidated financial statements have been restated as a result of adoption of merger accounting, as if the business combinations had been occurred from the beginning of the earliest financial years presented. The adoption of merger accounting has resulted in changes to the presentation of certain comparative figures which have been reclassified to conform to the current year's presentation.

2. On 24 March 2016, the Company completed the disposal of all the issued shares in FCHL (representing the container leasing, management and sales, and related businesses of the Group) to China Shipping Container Lines (Hong Kong) Co., Limited ("CSCLHK") for a total consideration of US\$1,223,725,000 (subject to completion accounts adjustments). The FCHL's shareholder's loans in the aggregate sum of US\$285,000,000 were transferred on the same day to CSCLHK at the consideration of US\$285,000,000. Upon completion of the disposal, FCHL ceased to be a subsidiary of the Company. The disposal gain and operation result of FCHL are disclosed as discontinued operation as container leasing, management and sales, and related businesses constitute a separate business within the Group.
3. Since the transactions listed in the above items 1 and 2 are completed, a special cash dividend of HK80 cents per share is to be distributed.
4. Basic earnings per share is 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 31 March 2016 of 2,966,559,439 (corresponding period of 2015: 2,940,437,862).

For the three months ended 31 March 2016 and for the three months ended 31 March 2015, 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 31 March 2016 are consistent with those used in the annual consolidated financial statements of the Group for the year ended 31 December 2015.

The financial information for the three months ended 31 March 2016 is based on the internal records and financial data of the Group and are unaudited.

Operational Highlights

For the three months ended 31 March 2016, the total throughput of the Group's terminals business rose 2.9% to 22,239,180 TEU (corresponding period of 2015: 21,602,746 TEU).

The Group's terminal companies in mainland China, Hong Kong and Taiwan handled a total of 19,139,395 TEU (corresponding period of 2015: 19,077,672 TEU), an increase of 0.3%; of which, the Group's terminal companies in mainland China handled a total of 18,167,083 TEU (corresponding period of 2015: 18,005,317 TEU), an increase of 0.9%.

The throughput of overseas terminals rose by 22.8% to 3,099,785 TEU (corresponding period of 2015: 2,525,074 TEU). The throughput of Kumport Liman Hizmetleri ve Lojistik Sanayi ve Ticaret A.Ş ("Kumport Terminal") in Turkey and CJ Korea Express Busan Container Terminal Corp. ("Busan Terminal") in Korea were included in the Group's accounts from 1 January 2016. The throughput of Kumport Terminal and Busan Terminal were 199,270 TEU and 455,052 TEU respectively.

For the three months ended 31 March 2016, the Group's equity throughput increased by 3.1% to 6,868,963 TEU (corresponding period of 2015: 6,660,132 TEU).

For the three months ended 31 March 2016, throughput of the Group's operating terminals was set out below:

Terminal Companies	Three months ended 31 March		Change (%)
	2016 (TEU)	2015 (TEU)	
Bohai Rim	7,719,245	7,486,903	+3.1
Qingdao Qianwan Container Terminal Co., Ltd. ^{Note 1}	4,303,133	4,118,068	+4.5
Dalian Port Container Terminal Co., Ltd.	541,323	580,183	-6.7
Dalian International Container Terminal Co., Ltd.	742,407	620,473	+19.7
Dalian Dagang China Shipping Container Terminal Co., Ltd.	3,407	4,182	-18.5
Tianjin Port Euroasia International Container Terminal Co., Ltd.	536,508	504,921	+6.3
Tianjin Five Continents International Container Terminal Co., Ltd.	528,509	603,923	-12.5
Yingkou Container Terminals Company Limited	420,036	361,038	+16.3
Yingkou New Century Terminal Co., Ltd.	461,014	505,017	-8.7
Jinzhou New Age Container Terminal Co., Ltd.	71,887	83,006	-13.4
Qinhuangdao Port New Harbour Container Terminal Co., Ltd.	111,021	106,092	+4.6
Yangtze River Delta	4,578,956	4,730,115	-3.2
Shanghai Pudong International Container Terminals Limited	573,228	598,361	-4.2
Shanghai Mingdong Container Terminals Co., Ltd.	1,404,038	1,331,547	+5.4
Ningbo Yuan Dong Terminals Limited	629,578	926,975	-32.1
Lianyungang New Oriental International Container Terminal Co., Ltd.	939,802	898,918	+4.5
Zhangjiagang Win Hanverky Container Terminal Co., Ltd.	157,749	160,386	-1.6
Yangzhou Yuanyang International Ports Co., Ltd.	111,936	113,471	-1.4
Nanjing Port Longtan Container Co., Ltd.	651,390	608,278	+7.1
Taicang International Container Terminal Co., Ltd.	111,235	92,179	+20.7
Southeast Coast and others	970,147	951,350	+2.0
Xiamen Ocean Gate Container Terminal Co., Ltd.	239,877	227,380	+5.5
Quan Zhou Pacific Container Terminal Co., Ltd.	265,577	246,026	+7.9
Jinjiang Pacific Ports Development Co., Ltd.	57,861	83,057	-30.3
Kao Ming Container Terminal Corp.	406,832	394,887	+3.0
Pearl River Delta	5,608,477	5,729,309	-2.1
Yantian International Container Terminals Co., Ltd.	2,669,734	2,703,616	-1.3
Nansha Stevedoring Co., Ltd. of Guangzhou Port	1,295,632	1,271,713	+1.9
Guangzhou South China Oceangate Container Terminal Company Limited	1,077,631	1,076,512	+0.1
COSCO-HIT Terminals (Hong Kong) Limited	307,421	374,794	-18.0
Asia Container Terminals Limited	258,059	302,674	-14.7
Southwest Coast	262,570	179,995	+45.9
Guangxi Qinzhou International Container Terminal Co., Ltd.	262,570	179,995	+45.9

Overseas	3,099,785	2,525,074	+22.8
Piraeus Container Terminal S.A.	806,864	736,382	+9.6
Suez Canal Container Terminal S.A.E.	642,733	806,659	-20.3
Kumport Liman Hizmetleri ve Lojistik Sanayi ve Ticaret Anonim Şirketi ^{Note 2}	199,270	N/A	N/A
Antwerp Gateway NV	484,163	520,165	-6.9
AMP Terminals Zeebrugge NV	84,668	99,206	-14.7
COSCO-PSA Terminal Private Limited	401,693	331,532	+21.2
CJ Korea Express Busan Container Terminal Corp. ^{Note 2}	455,052	N/A	N/A
SSA Terminals (Seattle), LLC	25,342	31,130	-18.6
Total	<u>22,239,180</u>	<u>21,602,746</u>	+2.9

Note 1: Throughput at Qingdao Qianwan Terminal included the throughput at Qingdao Qianwan United Container Terminal Co., Ltd. and Qingdao Qianwan United Advance Container Terminal Co., Ltd. and these two terminals are joint ventures of Qingdao Qianwan Terminal. The throughput of the two terminals for the three months ended 31 March 2016 increased 10.3% to 1,321,073 TEU (corresponding period of 2015: 1,197,684 TEU) and decreased 5.5% to 335,440 TEU (corresponding period of 2015: 376,226 TEU) respectively.

Note 2: The throughput of Kumport Terminal in Turkey and Busan Terminal in Korea were included in the Group's accounts from 1 January 2016.

Note 3: The total throughput of bulk cargo for the three months ended 31 March 2016 was 20,685,186 tons (corresponding period of 2015: 21,953,054 tons), a decrease of 5.8%. The throughput of Dalian Automobile Terminal Co., Ltd. was 109,097 vehicles (corresponding period of 2015: 109,021 vehicles), an increase of 0.1%.

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 31 March 2016.

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
QIU Jinguang
Vice Chairman & Managing Director

Hong Kong, 27 April 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. HUANG Xiaowen² (Chairman), Mr. QIU Jinguang¹ (Vice Chairman & Managing Director), Mr. DENG Huangjun¹, Mr. TANG Runjiang¹, Mr. FENG Bo¹, Mr. WANG Wei², Mr. WANG Haimin², Mr. ZHANG Wei², Dr. WONG Tin Yau, Kelvin¹, Dr. FAN HSU Lai Tai, Rita³, Mr. Adrian David LI Man Kiu³, Mr. IP Sing Chi³, Mr. FAN Ergang³ and Mr. LAM Yiu Kin³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director