For Immediate Release

China COSCO Announces First Interim Results after IPO

-Strong Earnings Recorded for 1H2005-

Turnover increased 27.9% to RMB18,576,762,000
Operating profit increased 70.8% to RMB3,954,004,000
Profit attributable to equity holders increased 42.3% to RMB2,772,796,000
Basic earnings per share increased 42.0% to RMB0.6744

Shipping volume increased 22.0% to 2,156,832 TEUs
Container terminals throughput increased 17.5% to 12,129,340 TEUs
Container leasing fleet increased 18.9% exceeding one million TEUs for the first time

Hong Kong, 15 September 2005, China COSCO Holdings Company Limited, ("China COSCO" or "the Group" HK:1919) a leading global provider of integrated container shipping services and the largest container shipping company in China, today announced its unaudited results for the first half of 2005.

For the period under review, turnover increased 27.9% to RMB18,576.762 million compared with the same period last year. Net consolidated profit attributable to equity holders rose to RMB2,772.796 million, an increase of RMB824.882 million when compared with the six months ended 30 June 2004. Earnings per share reached RMB0.6744, compared to RMB0.4751 in the first half of 2004 , a 41.9% increase. Considering that the Group was listed on the Stock Exchange in late June this year, no interim dividend will be distributed.

During the period under review, the world economy has been growing at a steady pace and the major economies recorded healthy growth despite high energy prices. China continued to implement its macroeconomic control measures, but still grew at an annualized GDP growth of 9.5%. As the outsourcing trend continues, China's exports and imports have grown rapidly by 32.7% and 14.0% respectively, driving the strong demand for container shipping. China's container port throughput reached 34,000,000 TEUs, a 24% increase from the corresponding period last year.

Chairman Wei Jiafu commented, "During the period under review, the Group's performance has been impressive due to factors including the continued strong growth in China's economy and international trade, a global trend towards increased outsourcing, and the Group's proactive expansion of its core businesses in recent years. We achieved impressive growth across all of our business segments in the six months ended 30 June 2005. The revenue environment has remained robust throughout the period and we are confident that we will sustain growth through to the end of the year."

Container Shipping

Driven by strong volume growth and a favorable freight environment, revenues from the container shipping business increased by 25.8%, representing a significant increase compared with the same period last year. Meanwhile, overall costs increased only 21.9% in the period when compared with the corresponding period last year as the Group implemented a number of cost control measures to maintain its costs competitiveness and improve its return on assets.

Shipping volume reached 2,156,832 TEUs in the first half of 2005, representing an increase of about 22.0% over that of the same period in 2004 with the Asia-Europe trade lanes recording the highest growth of 36.2%, followed by the PRC trade lanes and the Trans-Pacific trade lanes which recorded a 30.8% and 19.2% increase respectively. Since the end of last year, the Group has opened up a new trade lane in each of its two trunk routes Asia-Europe and Trans-pacific, through cooperation with its partners in the CKYH alliance. In order to meet market demand, the Group also increased capacity and enhanced service coverage in fast growing markets such as Asia to South America & South Africa, Asia to Australia and the PRC trade lanes. As at 30 June 2005, COSCON operated a fleet of 121 container vessels and the shipping capacity had reached 305,402 TEUs, an increase of 17.8% from the same time last year and an increase of 2% from the end of last year.

The Group enhanced its marketing effort to deal with the rapid increase in shipping capacity. It improved customer service by establishing a CRM system, especially enhancing communication with core customers. At the same time, the Group enhanced its market responsiveness. Such measures could help better utilize the additional capacity.

The Group has implemented a number of cost control measures to maintain its cost competitiveness, including improving fuel efficiency, through internal controls and centralizing purchase of bunkers. The Group further upgraded the quality of the worldwide application of its IRIS-2 system, which helped reduce costs and improve customer service and operational efficiency. In addition, the Group successfully launched a Management Information System, a system generating and processing important data for informed and quicker decision-making.

Shipping volume by markets

	Six months ended 30 June 2005 (TEU)	Six months ended 30 June 2004 (TEU)	Change %
Trans-Pacific	551,161	462,574	19.2
Asia-Europe (including Mediterranean)	493,514	362,376	36.2
Intra-Asia (including Australia)	659,611	566,577	16.4
Other international (including Trans-Atlantic)	115,925	118,860	-2.5
PRC	336,621	257,371	30.8
Total	**2,156,832**	**1,767,758**	**22.0**

Turnover by markets

	Six months ended 30 June 2005 (RMB'000)	Six months ended 30 June 2004 (RMB'000)	Change %
Trans-Pacific	5,803,601	4,902,503	18.4
Asia-Europe (including Mediterranean)	4,667,277	3,382,963	38.0
Intra-Asia (including Australia)	2,903,706	2,331,482	24.5
Other international (including Trans-Atlantic)	1,319,942	1,054,628	25.2
PRC	801,639	465,746	72.1
Sub-total	**15,496,165**	**12,137,322**	**27.7**
Chartered out	215,616	356,146	-39.5
Total	**15,711,781**	**12,493,468**	**25.8**

Container Terminals
For the first six months of 2005, COSCO Pacific's container terminals recorded a 17.5% increase in throughput.

During the first half of 2005, COSCO Pacific took a 20% interest in the Nanjing Port Longtan Container co., Ltd. which commenced operations on 26 August 2005 and has five berths and an annual handling capacity of 1,000,000 TEUs. On 16 April 2005, COSCO Pacific agreed to take a 56% interest in a joint venture with Guangzhou Port Group Co., Ltd. to construct and operate the Guangzhou Nansha Container Terminal Phase II. The proposed container terminal is planned to have six berths and an annual throughput capacity of 4,200,000 TEUs. On 23 March 2005, COSCO Pacific agreed to sell its 17.5% stake in Shekou Container Terminals Ltd. to China Merchants Holdings (International) Co., Ltd. for HK$610 million. This transaction will enable COSCO Pacific to fully leverage the advantages it has in the Pearl River Delta terminal development and allow better integration of resources and capital utilization.

Taking into account the new development, as at 30 June 2005, COSCO Pacific held interests in a total of 19 terminals. These 19 terminals are strategically located in the Pearl River Delta, the Yangtze River Delta, the Bohai Rim and important overseas locations. The total number of berths is 81 of which 76 are container terminals, three are multipurpose terminals and two are automobile terminals. The expected handling capacity will be increased to 40,400,000 TEUs. During the first half of 2005, COSCO Pacific also signed letters of intent with the Ningbo Port Group and the Tianjin Port Group respectively, to jointly develop and operate the Jintang Island Container Port of Ningbo and the Tianjin North Port Basin.

Container Leasing
As of 30 June 2005, Florens Container Holdings Limited and its subsidiaries, wholly-owned by COSCO Pacific, owned and operated a container fleet with a total capacity exceeding one million TEUs, reaching 1,027,954 TEUs, up 18.9% over the corresponding period of 2004. Florens further improved its ranking, becoming the fourth largest marine container leasing company (compared to fifth one year ago) with approximately 10.4% share of the global market.

Freight Forwarding and Shipping Agency Services as well as Logistics Services
In accordance with the overall strategies of COSCON, COSFRE and COSA, the domestic subsidiaries, together with the many overseas subsidiaries, strived to improve customer service and enhance cost control measures.

For the first half of the year, the Group also expanded its logistics operations in sectors such as household appliances, automobiles, electricity and petrochemicals, through COSCO Pacific's 49% ownership of COSCO Logistics.

Other Businesses and Investments: Container Manufacturing
China International Marine Containers (Group) Co., Ltd., in which the Group, through COSCO Pacific, owned a 16.23% stake, contributed a profit for the first time of RMB333 million.

Outlook
The Group believes that the favorable global economic environment will continue in the second half of this year. Though the upcoming new ship capacity is large, a healthy world economy should continue to generate steady demand for container shipping. The positive market outlook afforded by China's growing role in international trade will continue to provide the Group with opportunities to expand. As the recent macro policies help smooth up the country's once overheated economy, China's economy and trade are likely to maintain strong growth in the rest of 2005 and beyond.

High oil prices have brought a lot of pressure on shipping cost. The Group has taken and will continue to take measures to alleviate this pressure, including improving fuel efficiencies through internal controls, centralizing purchase of bunkers and collecting fuel surcharges from shippers.

Concerns have been raised due to the recent appreciation of the RMB against the US dollar. Since most of the Group's revenues and expenses are denominated in US dollars, the recent appreciation has not had a significant impact on the Group so far. The Group will closely monitor the situation and take action when appropriate.

The Group believes the container shipping market will remain stable in the latter half of this year. The Group will continue to expand and optimize its global networks and range of services, and explore opportunities to reduce costs such as fuel, equipment and port charges.

The Group's interests in terminals are expected to continue to benefit from a positive business environment in the second half of the year. As the Group has further expanded its terminal business, the contribution from this segment will increase significantly going forward.

The container leasing market was historically stable and will continue to grow steadily in the latter half of the year. The Group will continue to consolidate and further develop its global customer base.

Enhancing synergies across its main container businesses is one of the top priorities. The Group has recently started to increase the coordination of hub terminal developments between COSCON and COSCO Pacific, both in China and overseas. This will on one hand, help COSCON secure berthing capacity in hub ports worldwide and, on the other hand, enhance COSCO Pacific's bargaining power when negotiating investments in attractive container terminals. The increased leverage of synergies will enable the Group to capture the benefits of business integration.

"We believe that the Group is well positioned to benefit from expected continued growth in the Chinese and global economies. We will carefully monitor and address the challenges ahead of us, as we continue to improve our competitiveness and market share, and maximize shareholder return." concluded Chairman Wei Jiafu.

About China COSCO:
China COSCO is a leading global provider of integrated container shipping services. The Company's business included the provision of a wide range of services across the container shipping value chain such as container shipping, container terminal operations, container leasing, freight forwarding and shipping agency services. The Company listed on the Main Board of the Hong Kong Stock Exchange in June of 2005. As at 1 January 2005, in terms of vessel fleet capacity, the Company was the largest among all global container shipping companies based in the PRC and the seventh largest container shipping company in the world. China COSCO is one of the world's leading container terminal operators, measured by total throughput and total throughput capacity, and the fifth largest container leasing company in the world in terms of operating container fleet capacity. The Company's goal is to become one of the leading global integrated shipping companies in the world in terms of size, service range, profitability and customer satisfaction.

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