For Immediate Release

中国远洋控股股份有限公司
China COSCO Holdings Company Limited

China COSCO Announced 2007 Interim Results

Results Highlights

- During the period, the shipping volume of the Group's container shipping business reached 2,767,539 TEUs, up by 14% over the same period of last year. As at 30 June 2007, the Group operated a fleet of 144 container vessels, with the shipping capacity of 417,315 TEUs, an increase of 9.5% over the same period of last year.

- During the period, the Group's logistics business experienced rapid growth. Revenue increased by 23.7% over the same period of last year.

- The Group's container terminals handled 18,417,429 TEUs of containers during the period, representing an increase of 23.0% over the same period of last year.

- As at 30 June 2007, the Group owned and managed a container fleet of 1,397,952 TEUs, recording an increase of 25.8% year-on-year, which ranked the third in the world.

- During the period, the Group completed the A-shares issue and listing, generating total net proceeds of RMB 15,128 million, creating a solid foundation for the future business growth of the Group.

Financial Summary (prepared in accordance with HKFRS)

	1H2007 *RMB'000*	**1H2006** *RMB'000*	**Change**
Turnover	26,815,178	22,918,586	17.0%
Profit attributable to equity holders of the Company	968,678	1,057,147	-8.37%
Basic earnings per share (RMB)	0.135	0.150	-10.0%

27 August 2007, Hong Kong, China COSCO Holdings Company Limited ("China COSCO" or "the Group", HKEx:1919, SSE:601919), a leading global provider of integrated container shipping services and the largest container shipping company in China, today announced its financial results for the six months ended 30 June 2007.

According to the financial statements prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS"), the Group's turnover in the first half of

2007 was RMB26,815,178,000, representing an increase of 17.0% over the same period of last year. Profit attributable to equity holders was RMB968,678,000, down by 8.37% over the same period of last year. Earnings per share were RMB0.135, down by 10.0% over the same period of last year. The Board of Directors did not recommend the payment of interim dividends.

During the period under review, while container shipping and related businesses experienced a rebound in the shipping volume and freight rates, the increase of shipping capacity and the cost pressure from various aspects led to a relatively large increase of the operating costs of the businesses. Hopefully, other businesses of the Group achieved satisfactory performance during the period under review, including logistics business, terminal and related business as well as container leasing and management business.

Mr. Wei Jiafu, Chairman and CEO of China COSCO, commented, "In the first half of the year, the economy and foreign trade in the PRC continued to grow at a brisk pace, with its export growing by 27.6%. There was a persistent strong demand for container shipping. We continued to implement our plans in optimizing the shipping capacity and route allocation. At the same time, we pursued the goal of "rise in both volume and price" and achieved good results in this regard. However, since operating costs went up comparatively fast, the Group's net profit attributable to the equity holders for the period under review edged down slightly when compared with the same period of last year. Benefiting from the rapid development of logistics industry in China, we saw an enormous growth in engineering, home appliances and chemical logistics business. In addition, we also made good progress in terminal expansion and signed various letters of intent for cooperation. On the container leasing and management business, the Group continued to expand the scale of its container fleet. To sum up, the overall performance of the Group's businesses was satisfactory in the first half of the year, highlighting the importance of its integrating platform developed on the container shipping value chain to the stabilization the Group's operating results."

Moreover, the A-shares of China COSCO were successfully listed on the Shanghai Stock Exchange on 26 June 2007, marking the official accession to the China's A-Share market of a leading global shipping and logistics services supplier. As the listed flagship and fund-raising arm of the COSCO Group, China COSCO made a great success in the issue and listing of its A-shares. The issue price per share was RMB 8.48. Total subscription funds amounted to RMB 1,629 billion, generating total net proceeds of RMB15.128 billion, a record high for net proceeds raised for a non-financial A-share company and a record high for the amount raised by the IPOs of shipping enterprises in the world.

Review of Operations by Segment

Container Shipping and Related Businesses

In the first half of 2007, the shipping volume of the Group reached 2,767,539 TEUs, representing an increase of approximately 14.0% over the same period in 2006. The shipping volume of PRC, Asia-Europe and Trans-Pacific routes registered a double-digit growth. During the period under review, the Group continued to implement its plans in optimizing the shipping capacity. As at 30 June 2007, the Group had an orderbook of 37 container vessels, with an aggregate shipping capacity of 248,894 TEUs which are expected to put into operation over the next few years. Meanwhile, the Group increased its shipping capacity on routes with higher profitability by adjusting routes and continued to monitor the development of markets with high growth potential, including Vietnam, India and the Middle East.

As at 30 June 2007, the Group operated a fleet of 144 container vessels with shipping capacity reaching 417,315 TEUs, representing an increase of 9.5% over the same period of last year. According to the recovery status of the shipping market in the first half of the year, the Group set its target as a "rise in both volume and price" and continued its efforts to increase its market share in various ports and to enhance the management of slot movements, which has effectively improved slot utilization rate.

Shipping volume by routes

	Six months ended 30 June		
	2007	**2006**	**Change**
	TEU	**TEU**	**%**
Trans-Pacific	712,582	612,881	16.3
Asia-Europe (including the Mediterranean)	658,262	551,431	19.4
Intra-Asia (including Australia)	741,872	760,218	-2.4
Other international (including Trans-Atlantic)	118,668	126,150	-5.9
PRC	536,155	376,023	42.6
Total	**2,767,539**	**2,426,703**	**14.0**

Revenue by markets

	Six months ended 30 June		
	2007	**2006**	**Change**
	RMB'000	**RMB'000**	**%**
Trans-Pacific	6,725,939	6,147,999	9.4
Asia-Europe (including Mediterranean)	6,041,681	4,100,027	47.4
Intra-Asia (including Australia)	2,829,527	2,831,515	-0.1
Other international (including Trans-Atlantic)	964,383	1,214,020	-20.6
PRC	1,112,450	732,596	51.9
Sub-total	**17,673,980**	**15,026,157**	**17.6**
Chartered out	119,504	94,979	25.8
Related business	3,122,215	2,644,123	18.1
Total	**20,915,699**	**17,765,259**	**17.7**

During the first half of the year, the Group had successfully implemented two general rise in freight rates for Asia-Europe route in January and April, respectively and substantially raised the freight rates on this route. As for Trans-Pacific route, the Group put in efforts to implement GRI plans for various goods on west-bound routes, which were instrumental to the enhancement and recovery of freight rates for the return routes.

On the other hand, the operating costs of the Group's container shipping and related business recorded a relatively large increase during the period under review. It was mainly attributed to the increase of the inland transportation charges in the U.S., resulting in an increase of container cargo transshipment fees. Other contributing factors included the partial increase of the Group's shipping capacity, large container vessels being put into use and a significant rise in port charges in certain ports as compared to the same period of last year.

To address these issues, the Group intensified its "lean management", including strict control of the proportion of inland cargoes, close monitoring of the flowage of inland transshipped cargoes, optimization of the transshipment route, better management of shipping schedules, formulation of plans in advance, arrangement of accommodation of vessels and transshipment of cargoes and reduction in additional costs due to contingencies.

Terminal and Related Businesses

The Group's terminal and related businesses operated by COSCO Pacific Performed satisfactorily. During the period, the throughput of container terminals reached 18,417,429 TEUs, representing an increase of 23.0% over the same period last year. As at 30 June 2007, the Group held various interests in 24 terminal joint venture companies, with a total number of berths of 119 (the same period in 2006: 104), including, 113 container terminal berths, 2 terminal berths for automobile and 4 multi-purpose terminals for bulk cargo.

In terms of geographical segment, the throughput of container terminals in Bohai Rim region stayed ahead of that in other regions. Its total throughput amounted to 8,181,025 TEUs, representing an increase of 33.9% over the same period of last year. Coming next was Pearl River Delta and Southeast coastal region. The throughput of container terminals in the region was 5,588,253 TEUs, representing an increase of 22.9% over the same period of last year.

Throughput of container terminals

	Six months ended 30 June		
	2007	**2006**	**Change**
	TEUs	**TEUs**	**%**
Bohai Rim	8,181,025	6,110,855	33.9
Yangtze River Delta	3,881,561	3,790,026	2.4
Pearl River Delta and Southeast coastal region	5,588,253	4,547,135	22.9
Overseas region	766,590	526,732	45.5
Total Throughput	18,417,429	14,974,748	23.0
Total Throughput of Terminals in China	16,744,250	13,624,523	22.9

During the period, the Group stepped up its efforts in developing the terminal business and signed various letters of intent for cooperation. It took a significant step by participating in the diversification of its terminal investments and operations. In January 2007, Qingdao Qianwan Container Terminal Co., Ltd. acquired the operating rights of 4 container terminals from DP World. At the end of 2006, Ningbo Yuan Dong Terminal signed a memorandum of understanding with Ningbo Port (Group) Limited and acquired the right to build 4 berths in the phase V of Beilun at the port of Ningbo and at the end of 2006, Yangzhou Yuanyang Terminal planned to expand one berth, resulting in the total number of increased berths reaching 15 for the Group. The annual container handling capability was increased to 63,000,000 TEUs, representing an increase of 10.3% over the same period last year.

Meanwhile, the Group signed various letters of intent for cooperation. On 12 April, the Group signed a letter of intent for strategic cooperation and related agreements in relation to Jiangdu port terminal with Jiangsu Provincial People's Government to invest and operate two berths in the Jiangdu port region. Their designed annual throughput is 750,000 tonnes and 1,100,000 tonnes, respectively.

On 20 April 2007, China Ocean Shipping (Group) Company, the holding company of the Group, signed an agreement with Haikou Municipal Government of Hainan Province. Both parties agreed that the Group and Hainan Harbor & Shipping Holding Co., Ltd. to jointly incorporate a joint venture company of which the Group will be the majority shareholder, to jointly operate the related principal business of Hainan Harbor & Shipping Holding and develop Qiongbei port area into a hub port in Hainan Province. It is preliminarily expected that, according to the existing plan of the joint venture companies, the number of berths of the construction works should reach 21, including two container berths, nine bulk cargo and multi-purpose berths and ten ferry berths.

On 20 April 2007, the Group signed a letter of intent with Fujian Provincial Communication Transportation (Holding) Co. Ltd. to acquire a 29% shareholding in Fuzhou Port Group Co., Ltd.. Fuzhou Port Group owns 49 berths and is mainly engaged in container, coal and ore terminal and terminal related businesses.

Container Leasing Business

As at 30 June 2007, the Group through its subsidiary, Florens Container Holdings Limited ("Florens"), owned and managed a container fleet of 1,397,952 TEUs, an increase of 25.8% over the same period of last year. The market share was approximately 13.0% (the same period in 2006: 10.7%), which ranked it the third in the industry. The average age of the Group's container fleet was reduced to 3.99 years from 4.38 years in the same period of last year.

In June 2007, the Group completed the sale of marine containers of 31,352 TEUs (2006: 600,082 TEUs) and together with the container leasing agreements of those containers. After the disposal, the Group continued to provide the administrative and management services to the buyer and received related administrative fee annually. An amount of US$46,527,000 (equivalent to RMB359,142,000) was received from the buyer in respect of such disposal. Profit before tax on the disposal amounted to US$6,034,000 (equivalent to RMB46,576,000) (same period in 2006: RMB678,284,000).

Logistics Business

Benefiting from rapid economic growth as well as internal reforms and exploration by the Group, the logistics business of the Group developed at a rapid pace in the first half of 2007. Revenue increased by 23.7% over the same period of last year.

In the first half of 2007, the number of customers and business of the Group's home appliances logistics grew steadily, with the total number of home appliances handled amounting to 17,734,000 pieces, representing an increase of 30.2% over the same period last year. The volume of automobile handled were 197,991 units, representing a decrease of 15.3% over the same period last year. Benefiting from new projects and the oil product logistics business, the volume of chemical logistics increased substantially.

In the first half of the year, the shipping agency business of COSCO Logistics maintained a satisfactory developing trend and provided agency services for an aggregate of 63,497 voyages, representing an increase of 1.6% over the same period of last year. The sea freight forwarding business of COSCO Logistics continued to grow steadily and handled container cargos of 1,039,453 TEUs, representing an increase of 14.8% over the same period last year. A total of 70,762,066 tonnes of bulk cargoes were handled, representing an increase of 10% over the same period last year. For freight forwarding, in the first half of 2007, COSCO Logistics handled a total of 52,044 tonnes air freight export cargoes, representing an increase of 15.3% over the same period last year.

Other businesses

In the first half of 2007, the demand for containers was stable. The net profit contributed by CIMC to the Group increased by 2.2% to RMB 220,316,000. Chong Hing Bank, in which the Group holds a 20% equity interest, contributed a net profit of RMB 58,610,000, representing an increase of 15.4% over the same period of last year.

Prospects

Looking ahead to the second half of this year, Mr. Wei Jiafu said, "The major businesses of the Group will continue to benefit from the healthy development of the global economy, in particular the sustained growth of China's economy and foreign trade at a fast pace. It is anticipated that the market demand for container shipping will remain strong in the second half, with the market equilibrium staying at a relatively high level for the past few years. However, we are still facing risks such as high oil prices and increasing inland transportation charges. The Group will grasp opportunities lying ahead by the following ways: integrating large-sized container vessels with a capacity of 10,000 TEUs, optimizing resources allocation of the shipping routes, strengthening research on second-tier markets, vigorously exploring potential markets, increasing marketing efforts, actively driving up the freight rates, improving sources of goods and cargo flow structure; strengthening lean management, enhancing and implementing the accountability system as well as strictly controlling the operating costs."

He added, "The Group aims to further strengthen its terminal business. By raising the interests in its terminals and diversifying its terminal portfolio, the profitability of the terminal business will be further improved. The Company's scale will therefore be further enlarged, consolidating our leading position in the industry. Meanwhile, we will continue to expand our container fleet, to optimize the operation mode of the container leasing business, to enhance our marketing efforts and cost control and increase our revenue sources."

With the rapid expansion of the logistics business, the industry will become increasingly fragmented and its service mode will become increasingly diversified. During the second half year of 2007, the Group will speed up its pace on the resource construction and business development in the key regions such as the three major economic zones, namely Yangtze River Delta, Pearl River Delta and Beijing-Tianjin-Hebei-Bohai Rim. To improve its operating efficiency in logistics business, the Group will put emphasis on the building up of professional standards for its logistics services, the improvement of its information technology and the enhancement of its management.

As the listed flagship and fund-raising arm of the COSCO Group, China COSCO strived to achieve the target of "Three Maximization". The Group conducted feasibility study and relevant preparation work for the possible acquisition of bulk vessels of COSCO Group (please refer to the announcements posted on the website of HKEx dated 29 March 2007). It was also in negotiation with COSCO Group and its associates for the possible private issue of new A-shares of the Group (please refer to the announcements posted on the websites of HKEx and SSE dated 27 July 2007). The above work has been vigorously carried out.

Mr. Wei concluded, "As an integrated global container shipping services operator, the Group will continue to strengthen its core competitiveness by leveraging on total solutions and synergistic effects derived from its container shipping, terminal, container leasing and logistics businesses. It provides a full range of quality services to customers, bringing forth economies of scale to the company and hence creating value to both the company itself and its shareholders."

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About China COSCO:
China COSCO Holdings Company Limited ("China COSCO"), (together with its subsidiaries, the "Group") was established in the PRC on 3 March 2006. It is the overseas listed flagship of China Ocean Shipping (Group) Company ("COSCO Group"), the second largest integrated shipping company in the world. China COSCO owns 100% of COSCO Container Lines Company Limited ("COSCON") and approximately 51% of COSCO Pacific Limited ("COSCO Pacific"). COSCO Logistics Co., Ltd. ("COSCO Logistics"), in which the Company directly holds 51% interests and indirectly holds 49% interests through COSCO Pacific. The Group is one of the leading global providers of integrated container shipping services to international and domestic customers. Its business includes the provision of a wide range of container shipping, container terminal, container leasing and freight forwarding and shipping agency services across the container shipping value chain. The Group was successfully listed in Hong Kong on 30 June 2006. The A-shares of the Group were listed on the Shanghai Stock Exchange on 26 June 2007.

Disclaimer: This press release may contain certain forward-looking information and/or information that is not based on historical data. Reliance on any forward-looking statements involves risks and uncertainties and that, although China COSCO believes that assumptions on which the forward-looking statements are based are reasonable, any or all of those assumptions could prove to be incorrect and as a result, the inclusion of forward-looking statements in this press release should not be regarded as representations by China COSCO concerning future performance of the Group and readers should not place undue reliance on such forward-looking statements. In addition, China COSCO undertakes no obligation to publicly update or revise any of these statements as a result of new information, future events or otherwise.

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