For Immediate Release

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

China COSCO Announced 2008 Interim Results

Results Highlights

- In the first half of 2008, the Group recorded revenue of RMB70.48 billion, representing an increase of 47.6% over the same period of last year.

- Profit attributable to equity holders of the Company was RMB 15.12 billion, an increase of 109.2% year-on-year.

- Earnings per share amounted RMB 1.48, an increase of 64.8% as compared to the same period of last year.

- During the period, shipping volume of container shipping business reached 3,014,670 TEUs, representing an increase of 8.9% over the same period in 2007. As of 30 June 2008, the Group operated a fleet of 140 container vessels and the shipping capacity reached 458,472 TEUs, representing an increase of 5.4% over the same period of last year.

- During the period, dry bulk shipping business recorded a shipping volume of 135.85 million tons, representing an increase of 4% over the same period last year. Cargo turnover amounted to 679.2 billion ton-miles, an increase of 1% over the same period of last year. As at 30 June 2008, the Group owned, operated and controlled a total of 432 dry bulk cargo vessels, with a total of 33,581,384 DWT.

- During the period, the operational revenue of the logistics business was RMB7,021,616,000, representing an increase of 32.0% over the same period in 2007.

- During the period, the aggregate number of containers handled by the Group through the 27 container terminal companies which COSCO Pacific owned interest and operated reached 22,088,046 TEUs, representing an increase of 22.7% over the same period last year.

- During the period, the container fleet owned and managed by the Group amounted to 1,632,356 TEUs in size, representing an increase of 16.8% as compared with the same period of last year, and representing a market share of approximately 13.2% of the container leasing companies in the world, and ranking the second largest container leasing companies in the world.

- Given the relevant PRC requirements and conditions of interim audit for payment of interim dividend, the Board does not recommend distribution of an interim dividend for the year.

Financial Summary (prepared in accordance with HKFRS)

	1H2008	**1H2007**	**Change**
	RMB'000	*RMB'000*	%
Revenues	70,482,130	47,744,953	47.6
Profit attributable to equity holders of the Company	15,122,222	7,227,707	109.2
Basic earnings per share (RMB)	1.4802	0.898	64.8

27 August 2008, Hong Kong, China COSCO Holdings Company Limited ("China COSCO" or "the Group", HKEx:1919, SSE:601919), a leading global provider of integrated shipping and logistics services, today announced its financial results for the six months ended 30 June 2008.

According to the financial statements prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS"), the Group recorded operating revenue of RMB70.48 billion in the first half of 2008, representing an increase of 47.6% compared to the same period of last year. Profit attributable to equity holders of the Company amounted to RMB15.12 billion, representing an increase of 109.2% YOY . Earnings per share is RMB 1.48, an increase of 64.8% YOY. Given the relevant PRC requirements and conditions of interim audit for payment of interim dividend, the Board does not recommend distribution of an interim dividend for the year.

Mr. Wei Jiafu, Chairman of China COSCO, commented, "The domestic and international environment for the first half of 2008 was complicated and changing. Deepening of U.S. sub-prime mortgage crisis led to a slow down in the speed of the world's economy growth. Price of crude oil recorded a substantial increase. The world faced great pressure from inflation, and China has suffered severe natural disasters such as snowstorms and earthquake. All these brought challenges to the shipping industry. At the same time, however, globalization and structural changes in economy and trade continued to deepen; new sources of growth and emerging economy entities rose; economies of main emerging countries recorded rapid development, and global dry bulk shipping remained buoyant. Facing the opportunities and challenges, the Group managed to maintain rapid development in the first half of the year, through sound management and operation.

Review of Operations by Segment

Container Shipping and Related Businesses

For the first half of the year, the shipping volume of the Group's container shipping and related business amounted to 3,014,670 TEUs, representing an increase of approximately 8.9% as compared with the same period in 2007. Revenues amounted to RMB23.5 million, representing an increase of 12.34% over the same period in 2007. Operating profit achieved to RMB 1 billion, representing an increase of 63.1% over the same period in 2007.

Shipping volume by routes

	Six months ended 30 June		
	2008	**2007**	**Change**
	TEU	**TEU**	**%**
Trans-Pacific	**660,175**	712,582	-7.4
Asia-Europe (including the Mediterranean)	**766,344**	658,262	16.4
Intra-Asia (including Australia)	**780,207**	741,872	5.2
Other international (including Trans-Atlantic)	**114,529**	118,668	-3.5
PRC	**693,415**	536,155	29.3
Total	**3,014,670**	2,767,539	8.9

Revenue by routes

	Six months ended 30 June		
	2008	**2007**	**Change**
	RMB'000	**RMB'000**	**%**
Trans-Pacific	6,336,179	6,725,939	-5.8
Asia-Europe (including Mediterranean)	7,578,525	6,041,681	25.4
Intra-Asia (including Australia)	2,955,519	2,829,527	4.5
Other international (including Trans-Atlantic)	1,058,580	964,383	9.8
PRC	1,847,089	1,112,450	66.0
Sub-total	19,775,892	17,673,980	11.9
Chartered out	200,834	119,504	68.1
Related business	3,520,765	3,126,993	12.6
Total	23,497,491	20,920,477	12.3

In the first half of 2008, the Group had 3 new container vessels delivered and put into operation, with a total capacity of 30,144 TEUs. As at 30 June 2008, the Group's operating fleet included 140 container vessels with a capacity of 458,472 TEUs representing an increase of 9.9% over the same period in 2007, representing an increase of 5.4% as compared to the year end of 2007.

In the first half of 2008, the Group placed new orders for 12 container vessels, with a total capacity of 123,800 TEUs. As at 30 June 2008, the Group had an orderbook of 65 container vessels with a total shipping capacity of 488,372 TEUs.

In the first half of the year, in light of the change in market structure, the Group timely rearrangs the distribution of its shipping capacity and focused on emerging shipping markets. While allocating more shipping capacity to Europe, Mediterranean and Asia-Pacific routes, the Group further focused on emerging markets, accelerated the construction of regional feeder routes matching those routes with new shipping capacity resources allocation, and further improved the efficiency of the routes. While the shipping capacity of Pacific routes was reduced, more shipping capacity was allocated to the emerging Caribbean market, and the Central America feeder routes network was improved and expanded. Furthermore, by grasping the historic opportunity in domestic trade, the Group fully accelerated the allocation of shipping capacity to domestic trade routes, established the marketing strategy of “improving the quality and scale of routes”, which improved the profitability of domestic trade routes.

Since the beginning of this year, the Group has rationalized the cost procedures and key control points one by one on the major cost items such as bunker costs, cargo costs, port costs, inland transshipment costs, costs for change in container and capital costs. It has established an extensive management system and cost accountability system initiated from departments in the headquarters and to overseas branches, field units and even key positions. It improved the overall strength of the cost management efforts.

With respect to bunker cost controls, besides actively hedging part of bunker to fix costs, the Group also tightened bunker cost controls by implementing measures such as optimizing the route design, increasing the number of vessels and reducing vessel speed, reducing the call time of vessels in ports, strengthening the management of oil consumption and adopting new technology. **Compared with the same period last year, under the circumstances of an increase of 9.86% in shipping capacity, there was a slight decrease in the aggregate consumption of fuel. At the same time, separation of fuel surcharges from the basic shipping freight was achieved for all new Trans-Pacific routes contracts, under which, the price varies each month as bunker prices change.** The collection of fuel surcharges in other routes is also being actively promoted.

With respect of transshipment cost controls, the Group adhered to the strategy of locking in key areas and trying to choose transshipment routes with lower cost. For example, reducing the transshipment volume in Long Beach and New York and continuing to actively promote the transshipment route through port of Prince Rupert in North America. In addition, the Group initiated the new model of Far East/Central America route calling at Balboa and transshipping to

Cristobal by railway. This not only substantially reduced the transshipment cost in inland North America, but also enabled us to attain benefit from the preferential rate for inland transportation in North America. In Europe, the Group actively promoted the construction of feeder route network in Mediterranean East and Black Sea ports to cover emerging markets, with the aim to save transshipment cost while improving the service quality. In China, the Group continued to strengthen the strategy of shift of transshipment ports.

Dry bulk shipping business

In the first half of 2008, the Group's dry bulk shipping business maintained strong growth. Shipping volume amounted to 135,850,000 tons, representing an increase of 4% as compared with the same period last year. Dry bulk shipment turnover amounted to 679.2 billion ton nautical miles, representing an increase of 1% year-on-year. Revenues from operation amounted to RMB39.33 billion, representing an increase of 88% year-on-year. Operating profit achieved to amount RMB17.1 billion, representing an increase of 126.6% over the same period in 2007. The operating results were better than the average level of the industry.

The Group continued the strategy to strengthen its key accounts. The ocean fleet strictly performed the contracts, provided quality service to and further consolidated the cooperation with major clients such as Bao Steel. For major contracts entered into by the coastal fleet, the proportion of locked shipping capacity reached 90%. The increase in freight rates for coastal thermal coal under COA contracts for this year was accepted and supported by major customers. As a result, the standard freight rate increased by 50%-100% as compared to the previous year.

The Group continued to adopt the strategy of combining stable operations andmaking flexible responses. In accordance with the principle of "combining maximum yield in the short term with stable yield in the long term", the Group used various approaches of flexible operations, based on the prevention and control of risks, to improve service contract portfolio consisting COA contracts, spot cargo shipping, spot contracts, voyage charters, time charters, long period and short period leasing, so as to even out and stabilize realized gains and timely lock in forward profits.

Based on the statistics as at 30 June 2008, for the total number of operation days in 2008, the proportion of the operation days of which revenue was completed or locked was 76.3%, the average time charter rental level completed or locked in of various types of vessels were higher than the full year actual average level in 2007. The average rate of Increase was approximately 40%.

The operation strategy of combining self-owned and chartered vessels continues. During the first half of the year, the Group studied the shipping market trend in detail and took advantage of a favorable opportunity to expand the size of the fleet and improve its structure to enhance its competitiveness. In terms of chartered shipping capacity, new chartering contracts signed during the first half of the year for a term of over one year amounted to more than 90 vessels with a total capacity of over seven million DWT.

In short, leveraging on its rich experience, the dry bulk shipping management team of the Group achieved better results by studying the market trend in details, capturing the market changes and optimizing its operations.

As at 30 June 2008, a total of 432 dry bulk vessels with a total of 33,597,827 DWT were operated by the Group, representing an increase of 1.2% over the same period of last year, representing an increase of 1.9% over the year end of last year. Among which, 204 vessels were self-owned vessels, with 12,998,584 DWT. The average age of the vessels was 14.9 years; 228 vessels were chartered vessels, with 20,599,243 DWT.

As at 30 June 2008, the Group had new orderbook of 66 dry bulk vessels, with 8,497,900 DWT. This includes: 10 VLOC, with 2,976,000 DWT; 12 Capesize vessels, with 2,328,000 DWT; 20 Panamax vessels, with 1,837,900 DWT; 24 Handymax vessels, with 1,356,000 DWT.

China COSCO BULK Division newly established by the Group in June will better ultilize the size-advantage of China COSCO's fleet, with the aim to significantly raise the competitiveness of China COSCO's dry bulk shipping unit.

Logistics Business

In the first half of 2008, the logistics business of the Group recorded revenues of RMB7,021,616,000, representing an increase of 32.0% over the same period in 2007, achieved operating profit amounted to RMB 250 million, representing an increase of 48.8% over the same period in 2007.

For third party logistics, operation of logistics for system products for the first half of 2008 remained stable:

- Regarding home appliances logistics, a total of 29,439,000 units of home electrical appliances were handled, representing an increase of 66.00% over the same period in 2007;
- Regarding automobile logistics, a total of 145,694 units of automobiles for logistics were handled, representing a decrease of 26.4% over the same period in 2007, mainly due to changes in sales volume to major automobile customers.
- Regarding chemical logistics, the volume handled for the first half of 2008 amounted to 1,966,000 tons, representing an increase of 46.7% over the same period of 2007.
- In the area of engineering logistics, turnover for the first half of the year

amounted to RMB500 million, representing an increase of 17.1% over the same period in 2007. Major projects included "Air Bus 320 Project", "Indian RELIANCE Project", "SINOPEC's Fujian Refining Project", and "CNOOC's Huaizhao Oil Refinement Project" etc. New contracts for engineering logistics services signed in the first half of the year totalled 45, including significant projects such as "Chemical Fertilizer Project in Burma", "SINOPEC's ARAK Petroleum and Chemical Project in Iran", "10 million Ton/Year Oil Refinement Project in Qin Zhou", "Ambala, India Project", "CGNPG's Coastal Nuclear Power Station Project" etc.

For shipping agency business, COSCO Logistics continued to improve service quality through staff deployment, business training, service innovation, technology improvement and service expansion, and expanded the development of ship agency operation as well as increasing turnover and reducing costs. Marketing to core customers was enhanced through the establishment of a three-dimensional marketing system which included the Beijing head office, Shanghai marketing center, port companies and overseas organizations. Innovation was made in service in order to continuously provide personalized services and products. In the first half of the year, total visits handled by our ship agency amounted to 65,336 units, representing an increase of 2.9% over the same period last year, further consolidate our advantageous position in the domestic ship agency market.

For freight forwarding business, in the first half of 2008, the sea freight forwarding business of COSCO Logistics completed a total of 1,147,911 TEUs, representing an increase of more than 10.4% as compared with the same period last year. Total volume for bulk cargo forwarding was 76,065,620 tonnes, representing an increase of 7.5% as compared with the same period last year. The overall business condition for air freight was good. Both the business volume and the operating benefits increased substantially as compared to last year.

Terminal and Related Businesses

In the first half of 2008, the throughput of the container terminals of COSCO Pacific Limited reached 22,088,046 TEUs, representing an increase of 22.7% as compared with the same period of last year, among which, the throughput of 18 container terminal joint ventures in China and three overseas container terminal joint ventures reached 19,737,223 TEUs and 2,350,823 TEUs respectively, representing an increase of 14.5% and 206.7% as compared with the same period of last year, respectively.

The total throughput of terminals in Bohai Rim reached 8,400,703 TEUs, representing an increase of 8.2% as compared with the same period last year. The total throughput of terminals in Yangtze River Delta reached 4,576,107

TEUs, representing an increase of 17.9% as compared with the same period of last year; and the total throughput of terminals in Pearl River Delta and Southeast Coastal area reached 6,760,413 TEUs, representing an increase of 21.0% as compared with the same period of last year. Among which, Quanzhou Pacific Terminal (71.43% equity interest is currently held by COSCO Pacific), Xiamen Yuanhai Terminal (70% equity interest is held by COSCO Pacific and under construction) and Fuzhou Port Group (a letter of intent was signed for acquiring its interests) will benefit from the historical opportunities arising from the Three Links Reform between Taiwan and China Mainland.

The total throughout of overseas terminals, COSCO Pacific further expanded its global terminal network, and expedited the development of overseas terminals. The percentage of throughput of overseas terminals to the total throughput of COSCO Pacific increased from 4.3% during the first half of last year to 10.7%. COSCO-PSA Terminal in Singapore increased one additional berth in January 2008, which brought an increase of 69.3% as compared with that of the same period last year. The throughput of Antwerp Gateway NV in Belgium increased by 56.7% as compared with the same period of last year to 574,087 TEUs. The Suez Canal Terminal in Egypt, in which COSCO Pacific completed the shares transfer in October 2007, handled 1,099,428 TEUs for the first half of 2008.

Container terminals throughput

	Six months ended 30 June		
	2008 *TEUs*	**2007** **TEUs**	**Change** **%**
Bohai Rim	8,400,703	7,766,815	8.2%
Yangtze River Delta	4,576,107	3,881,561	17.9%
Pearl River Delta and Southeast coastal region	6,760,413	5,588,253	21.0%
Overseas region	2,350,823	766,590	206.7%
Total Throughput	22,088,046	18,003,219	22.7%
Total Throughput of Terminals in China	19,737,223	17,236,629	14.5%

As at 30 June 2008, COSCO Pacific held various equity interests in 27 terminal joint-ventures and owned 140 berths in total which comprise 128 container terminal berths, two automobile terminal berths and ten bulk cargo terminal berths. The number of operating container terminal berths amounted to 89, with an annual handling capacity of 48,150,000 TEUs in total. It is expected berths of new terminals investment projects and expansion projects of operating terminals, including Qingdao New Qianwan Terminal, Xiamen Yuanhai Terminal, Jinjiang Pacific Terminal, Suez Canal Terminal and Tianjin Euroasia Terminal etc., will commence operation successively.

On 25 June 2008, COSCO Pacific received a formal notification from Piraeus Port Authority SA (“PPA”) in Greece stating that COSCO Pacific

has been the provisional highest bidder in respect of the global tender for concession rights of piers 2 and 3 of Piraeus Port. COSCO Pacific is currently negotiating with PPA on the terms of the formal concession agreement.

Container Leasing, Management and Sales Business

As at 30 June 2008, the container fleet owned and managed by the Group amounted to 1,632,356 TEUs in size, representing an increase of 16.8% as compared with the same period of last year, representing a market share of approximately 13.2%, **ranking the 2nd container leasing company in the world.** The average utilization rate of its container was 94.3%, which was above the average industry level.

The Group continued to implement a light asset business model to reduce operation risk and maintained appropriate proportion between self-owned containers and managed containers. As at 30 June 2008, owned container fleet increased to 866,448 TEUs, representing an increase of 16.9% as compared with that of the same period last year, accounting for 53.1% of the total number of containers. Total number of managed container fleet was 765,908 TEUs, representing an increase of 16.6% as compared with that of the same period last year and accounting for 46.9% of the total number of containers.

Container Manufacturing

In the first half of 2008, COSCO Pacific, a subsidiary of the Group, increased itsshareholding in CIMC, reached 21.8%.

Prospects

Looking ahead to the second half of this year, the international economic and political environment will be complicated, however, world economy will maintain rapid growth. Though, the impacts of U.S. sub-prime mortgage crisis on world economy still exist, and the shipping market face both challenges and opportunities.

For the container shipping business, the Group will deploy the shipping capacity of the shipping routes flexibly in order to respond rapidly to changes. Meanwhile, the Group will firmly implement the cost control strategy by facilitating sustained improvement in cost control and strictly controlling various kinds of cost. For the dry bulk shipping business, the Group will continue to stick to the operating objective of “combine maximum yield in the short term with stable yield in the long term”, duly lock in medium-long-term shipping contracts, continue to deepen the coastal transportation strategy in order to increase the market share in coastal transportation market rapidly, and continue to implement the key customer strategy to facilitate the sustained development. For the logistics business, the Group will continue to consolidate and strengthen its advantage in domestic market, increase its strength in the development of overseas engineering logistics business, keep its absolute advantage in ship agency business, and strengthen domestic market share in the public ship agency market in the direction of being “ship agency of operation type”. For the terminal business, the Group will continue to expand the global terminal network and accelerate the development of overseas terminals. For container leasing business, the Group will continue to strengthen its leading position in the industry by implementing asset light business model.

Mr. Wei Jiafu said, “**as the unique platform to build ‘capital COSCO’, China COSCO will continue to actively facilitate the implementation of overall strategy in accordance with the principle of ‘making over plan and implementing in phases’. China COSCO will rely on the enormous size and rapid development of the China market while competing globally, stick to the objective of “maintain steady operation to create sustained results”,** strengthen and develop its existing advantages in areas including the container shipping, dry bulk shipping, logistics, terminals and container leasing operations, etc., deepen the synergies, expand into other shipping business areas and endeavor to become a integrated shipping enterprise with sustained growth and ultimately, to maximize optimize our operating efficiency, corporate value and shareholders’ return”.

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Supplementary: Awards China COSCO received in the first half of 2008

China COSCO proudly received various awards in the first half of 2008, especially ranked the Top in the "Most valuable Chinese listed-company" and to be elected in the "Top 500 Global Enterprises" by the Financial Times of UK and "Top 2000 Global Enterprises" by Forbes of the USA.

These nominations and awards reflect to the good image China COSCO has built in the oversea capital market and it has widely been recognized. The Board of Directors and senior management concern about the management on market capitalization, continue to enhance the governing standard and the transparency of the company, and build up the communication with the investors, thus earning these honorable awards. The following listed the recent awards:

- China COSCO ranked Top in the "100 Most Valuable China listed-company in 2007", hosted by China United Assets Appraisal Co., Ltd. and China Business Post.
- After receiving the Global's reputable annual report ARC awards in 2005 and 2006 consecutively, the Group won "Honor" for its Financial Data section of the annual report in ARC awards this year.
- China COSCO ranked 242, being elected in the "Top 500 Global Enterprises" by the Financial Times of UK.
- China COSCO got elected for the 3rd consecutive times by the Forbes Magazine of the USA, ranking 951 in year 2008 in the "Top 2000 Global listed-companies".
- China COSCO was elected and ranked 19th place in the "Best 100 Management in market capitalization of China listed companies in 2008" by China Listed-Company Market Capitalization Research Center and the Chinese Finance Research Center of Tsinghua University.
- China COSCO got elected in "100 Most Valuable Main Board listed Companies in 2007" hosted by the Securities Times.
- China COSCO proudly received the awards hosted by China Securities Journal: ranked 15th in the "China listed company Golden Bull award", ranked 12th in revenues and ranked 12th in A-share market capitalization resepectively.
- China COSCO entered the top 20 of the "Top 100 corporate governance of China listed company in 2008", hosted by Chinese Academy of Social Sciences, China National School of Administration and Protiviti Inc.
- China COSCO successfully ranked 4th in "Global Listed shipping company of 2007" hosted by MARINE MONEY.
- China COSCO, with the successful acquisition of its parent's company on the dry bulk shipping business, got elected in the "Best Acquisition Award" of the "2008 Asia shipping trading award".

About China COSCO:
China COSCO is a leading global provider of integrated shipping and logistics services. The Company's current business includes the provision of a wide range of services across the shipping value chain such as container shipping, dry bulk shipping, logistics, terminal operations, container leasing, freight forwarding and shipping agency services. Each business segment of the Company maintains a market leadership. China COSCO operates the world largest dry bulk fleet and the world No. 6 and China No.1 largest container vessel fleet. Its terminal operation and container leasing business rank world No.5 and No.2 respectively, and logistics segment is among the top in China. The Company was listed on the Hong Kong Stock Exchange in June 2005 and Shanghai Stock Exchange in June 2007. As the listed flagship and integrating platform of COSCO Group, China COSCO aims to become a global leading shipping and logistics conglomerate.

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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