

Press Release
(For immediate release)



China COSCO Announces FY2015'Q3 Results

(29 October 2015, Hong Kong) - China COSCO Holdings Company Limited (“China COSCO” or the “Company”) (SSE: 601919; HKEx: 1919) announced the results of the Company and its subsidiaries (collectively, the “Group”) for the first three quarters (the “Period”) ended 30 September 2015. The net profit attributable to the equity holders of the Company was RMB188 million.

In the third quarter of 2015, the overall demand in the shipping market continued to be weak with continuous overcapacity on the market landscape. The container shipping market was challenging and the bulk shipping market slightly turned around for a short period before it resumed to be weak. The overall market condition is not satisfactory. During the Period, the average China Containerized Freight Index (CCFI) was down 8.3% quarter-on-quarter, or a decrease of 25.6% year-on-year. The average Shanghai Containerized Freight Index (SCFI) was down 2.7% from the previous quarter, or decreased 37.8% year-on-year. The Baltic Dry Index (BDI) averaged at 974 points, up 54% from the previous quarter, but was only slightly up 2.5% year-on-year. From January to September, the average BDI was 744 points, down 32% year-on-year.

To properly address the challenging market

environment, China COSCO adopted proactive measures to stabilize the market from the risk of substantial fluctuation, optimize the structure of market, customers, cargo sources and fleet, so as to strengthen the capability of risk resistance and address the negative impact that the weak market conditions may have on the operations. COSCO Container Lines Co., Ltd (COSCON) continued to improve its capacity allocation, route network and cargo source structure, optimize its services for intra-regional routes, increase cargo volume of long-term contracts, maximize the non-ocean freight revenue, and facilitate the balance of global cargo flow. COSCON also focused on strengthening the supplier management, improving vessels' operation efficiency and strict cost control of fuel oil. China COSCO Bulk Co., Ltd (COSCO Bulk) actively promoted its marketing system reforms, constantly optimizing its customer structure and enhancing its capacity to obtain more basic cargo sources. COSCO Bulk is dedicated to streamlining operation and strengthening management, so as to further refine and implement all effective measures.

Looking ahead, China COSCO will continue to focus on the four strategic aspects of profitability, anti-cyclical effect, globalization and increase in scale. In the background of China's economic reform and innovation, China COSCO is going to seize the strategic opportunities of the national strategies including "One belt, One road", Collaborative Development of Beijing-Tianjin-Hebei program, and Yangtze River Economic Zone. China COSCO is dedicated to promoting comprehensively the execution of the strategy, deepening reforms, and making continuous exploration and innovation to continuously improve business performance, achieve sustainable development of the Company and provide ongoing returns to shareholders.