



中遠海運港口有限公司
COSCO SHIPPING Ports Limited

1Q2018 Results

Strong organic growth reaffirms
our growth strategies



26 April 2018

1Q2018 Highlights - strong organic growth

- Total throughput + **37.7%** yoy to 27.2 million TEU
 - Equity throughput + **32.5%** yoy to 8.6 million TEU
 - Total throughput of subsidiaries + **38.5%** yoy to 5.2 million TEU
- Revenue + **86.1%** yoy to US\$238 million
 - Excluding Noatum and Zeebrugge, achieved organic growth of **29.8%** yoy
- Operating profit + **106.0%** yoy to US\$52.7 million
- Net profit + **84.3%** yoy to US\$69.2 million
- Synergies with Ocean Alliance was further enhanced, **47%** of subsidiaries' throughput contributed by Ocean Alliance



Financial Review

Financial Highlight – enhancing profitability

US\$ million	Reported			Like-for-like (organic) *		
	1Q2018	1Q2017	yoy	1Q2018	1Q2017	yoy
Total revenue	237.9	127.8	+86.1%	165.4	127.8	+29.4%
Costs of sales	164.0	85.0	+92.9%	102.1	85.0	+20.1%
Gross profit	73.9	42.8	+72.6%	63.3	42.8	+47.8%
<i>GP margin</i>	<i>31.1%</i>	<i>33.5%</i>		<i>38.3%</i>	<i>33.5%</i>	
Operating profit	52.7	25.6	+106.0%	53.7	25.6	+110.1%
<i>OP margin</i>	<i>22.2%</i>	<i>20.2%</i>		<i>32.5%</i>	<i>20.0%</i>	
Net Profit **	69.2	37.6	+84.3%	47.2	37.6	+25.6%
<i>NP margin</i>	<i>29.1%</i>	<i>29.4%</i>		<i>28.5%</i>	<i>29.4%</i>	

*Excluding Noatum, Nantong, Zeebrugge, Wuhan Yanglou and AD Ports

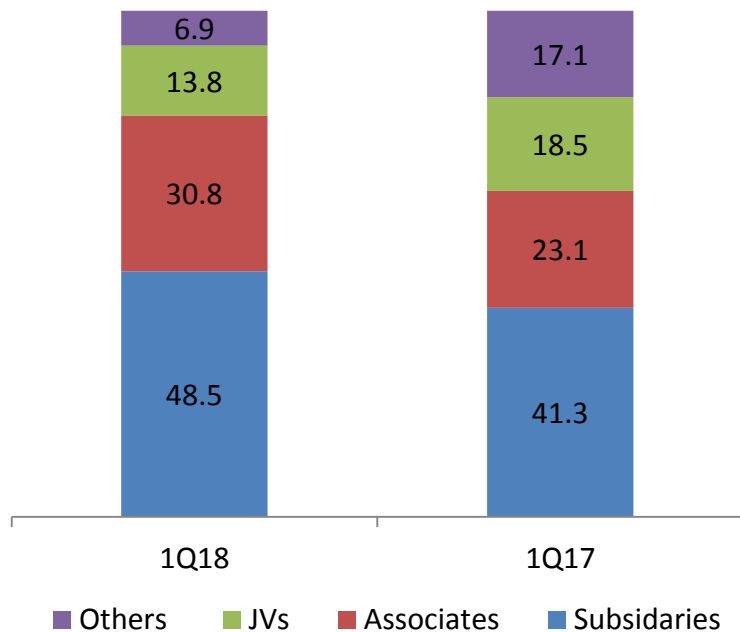
**Excluding QPI, Noatum, Nantong, Wuhan Yanglou, Vado and AD Ports

Strengthening balance sheet

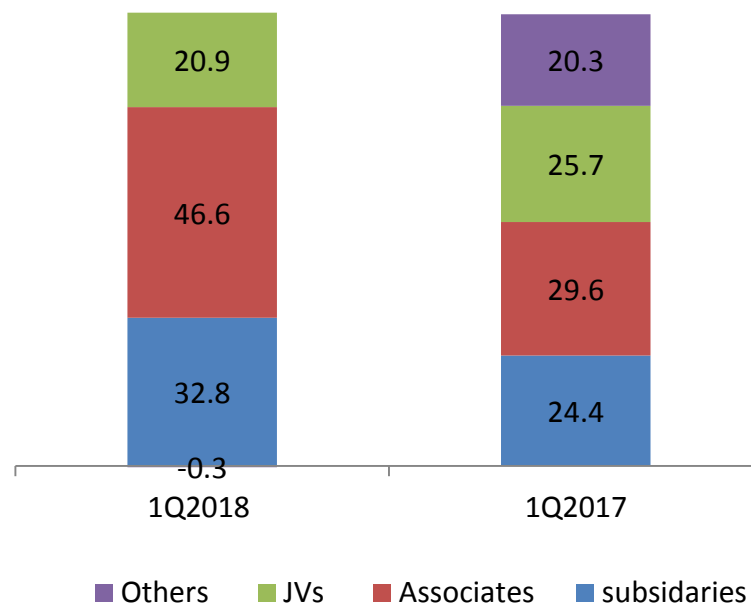
US\$ million	1Q2018	1Q2017	yoy
Total assets	9,238.5	6,854.7	+34.8%
Total liabilities	3,137.6	1,936.3	+62.0%
Total equity	6,100.9	4,918.4	+24.0%
Total debt	2,359.2	1,432.0	+64.7%
Cash on hand	559.6	717.3	-22.0%
Net debt	1,799.6	714.7	+151.8%
Shareholder equity	5,400.6	4,495.2	+20.1%
Total debt to equity	38.7%	29.1%	
Net debt to equity	29.5%	14.5%	

Strengthening value of subsidiaries

Total Assets Breakdown %



NAV Breakdown %





Operations Review

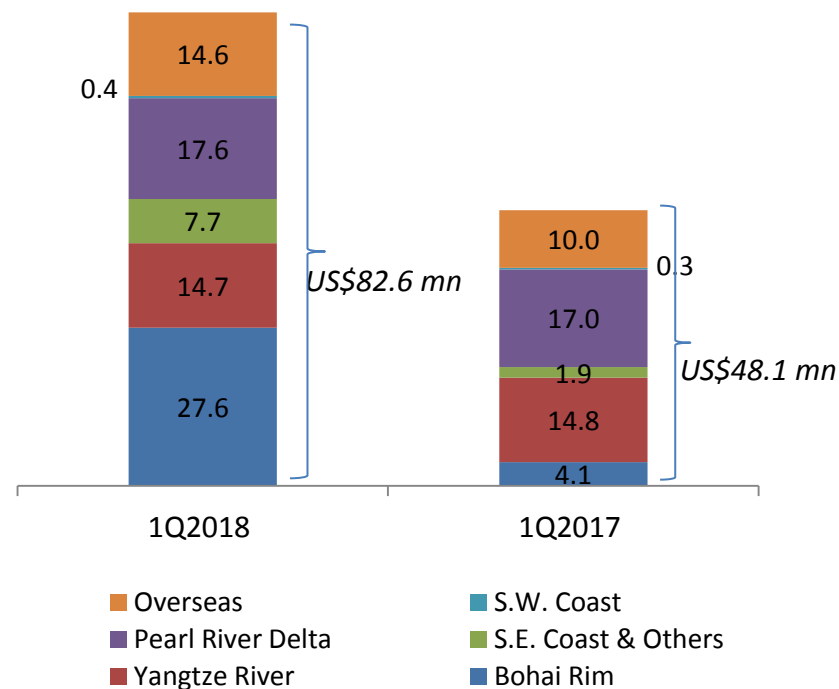
Net profit analysis

US\$ million	1Q2018	1Q2017	yoy
Terminal profit	82.6	48.1	+71.7%
Net profit	69.2	37.6	+84.3%

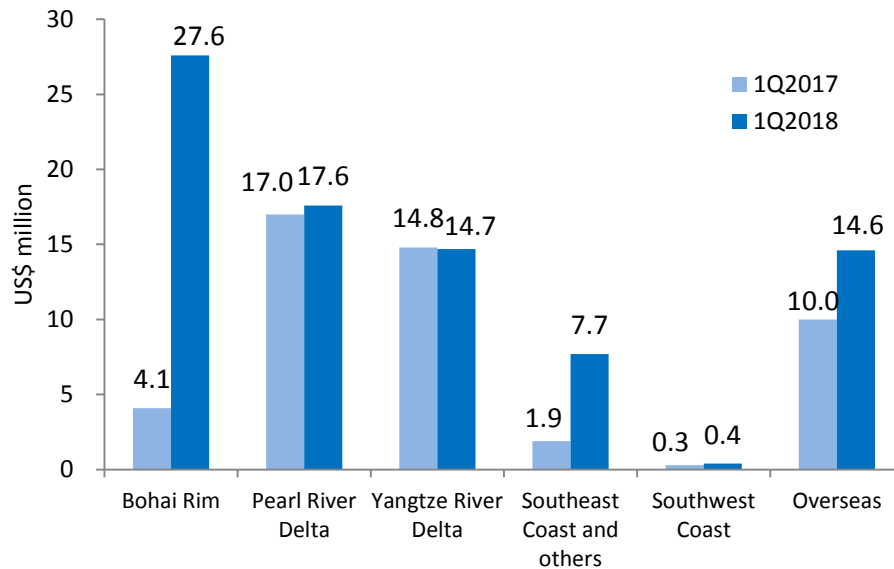
Top 10 profit contributors

	1Q2018		1Q2017	
QPI	----	Yantian		18.9%
Yantian	13.4%	Shanghai Pudong		10.8%
Xiamen Ocean Gate	7.6%	PCT		10.2%
PCT	7.4%	Shanghai Mingdong		9.8%
Shanghai Pudong	6.6%	HK		8.0%
Kumport	5.3%	Guangzhou Oceangate		7.5%
Guangzhou Oceangate	4.1%	Suez Canal		5.0%
Shanghai Mingdong	4.0%	Ningbo Yuan Dong		4.6%
HK	3.1%	Kumport		3.3%
Lianyungang	2.4%	Quanzhou		2.7%
Total of top 10	< 80.0%	Total of top 10	80.8%	

Terminal Profit breakdown



Terminal profit by regions

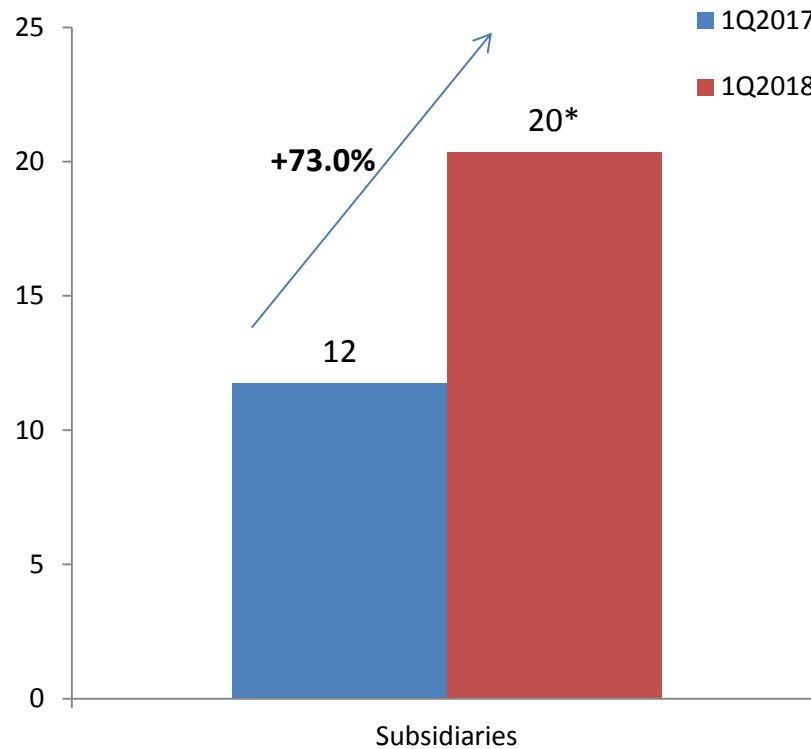


US\$ million	1Q2018	YoY	of total
Bohai Rim	27.6	+570.6 %	33.4%
Pearl River Delta	17.6	+3.3%	21.3%
Yangtze River Delta	14.7	-0.4%	17.8%
Southeast Coast & others	7.7	+312.4%	9.3%
S.W Coast	0.4	+41.2%	0.5%
Overseas	14.6	+46.0%	17.7%
Total	82.6	71.7%	100%

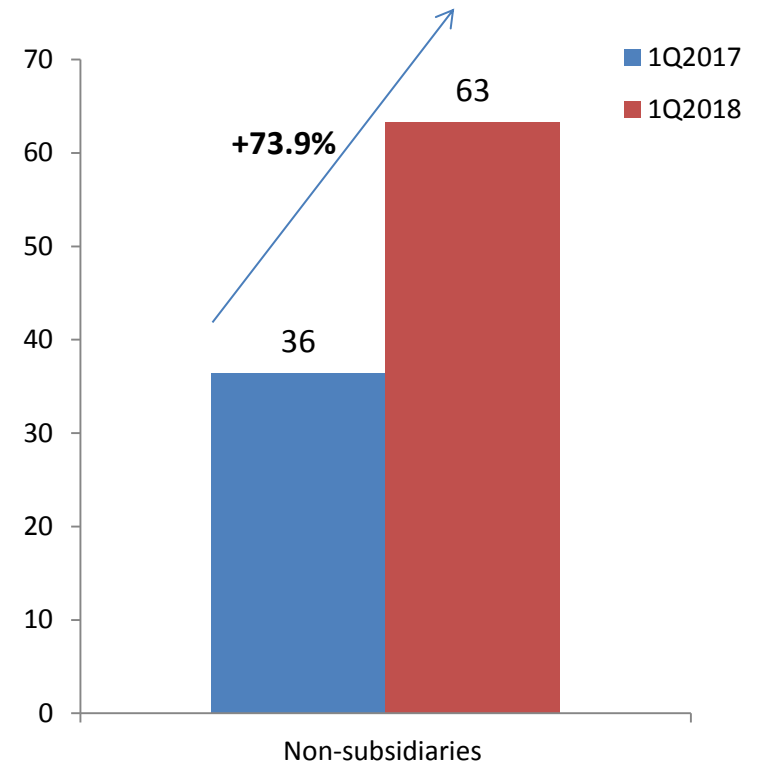
- Profit from Bohai Rim region increased by 570.6% mainly contributed by QPI
- Profit from Pearl River Delta region increased by 3.3% in 1Q2018 higher contribution from Yantian mainly driven by the increased calls from Ocean Alliance
- S.E Coast region achieved 312.4% growth in 1Q2018 profits mainly contributed from Xiamen Ocean Gate

Terminal profit – accelerating growth pace

US'million

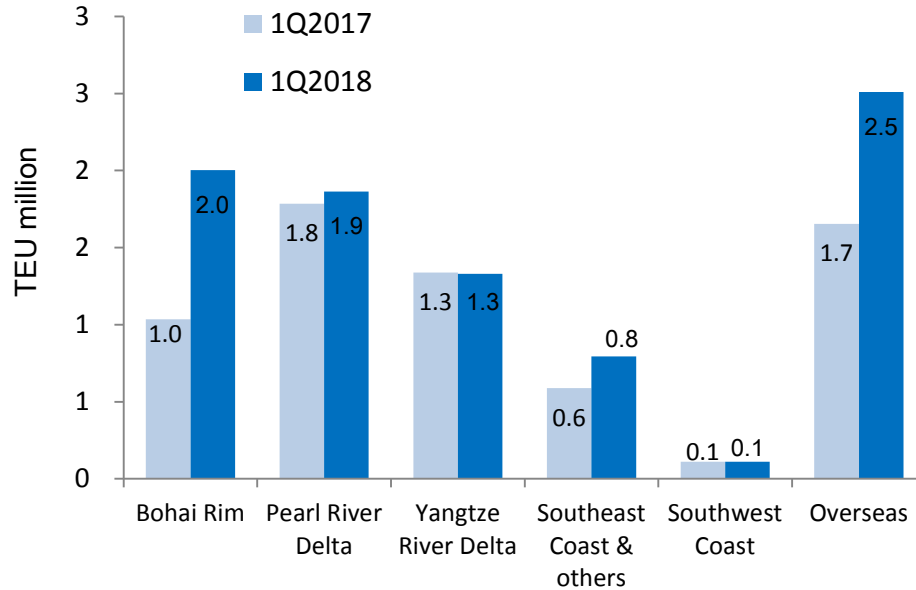


US'million



**Excluding Nantong, Wuhan Yanglou and AD Ports*

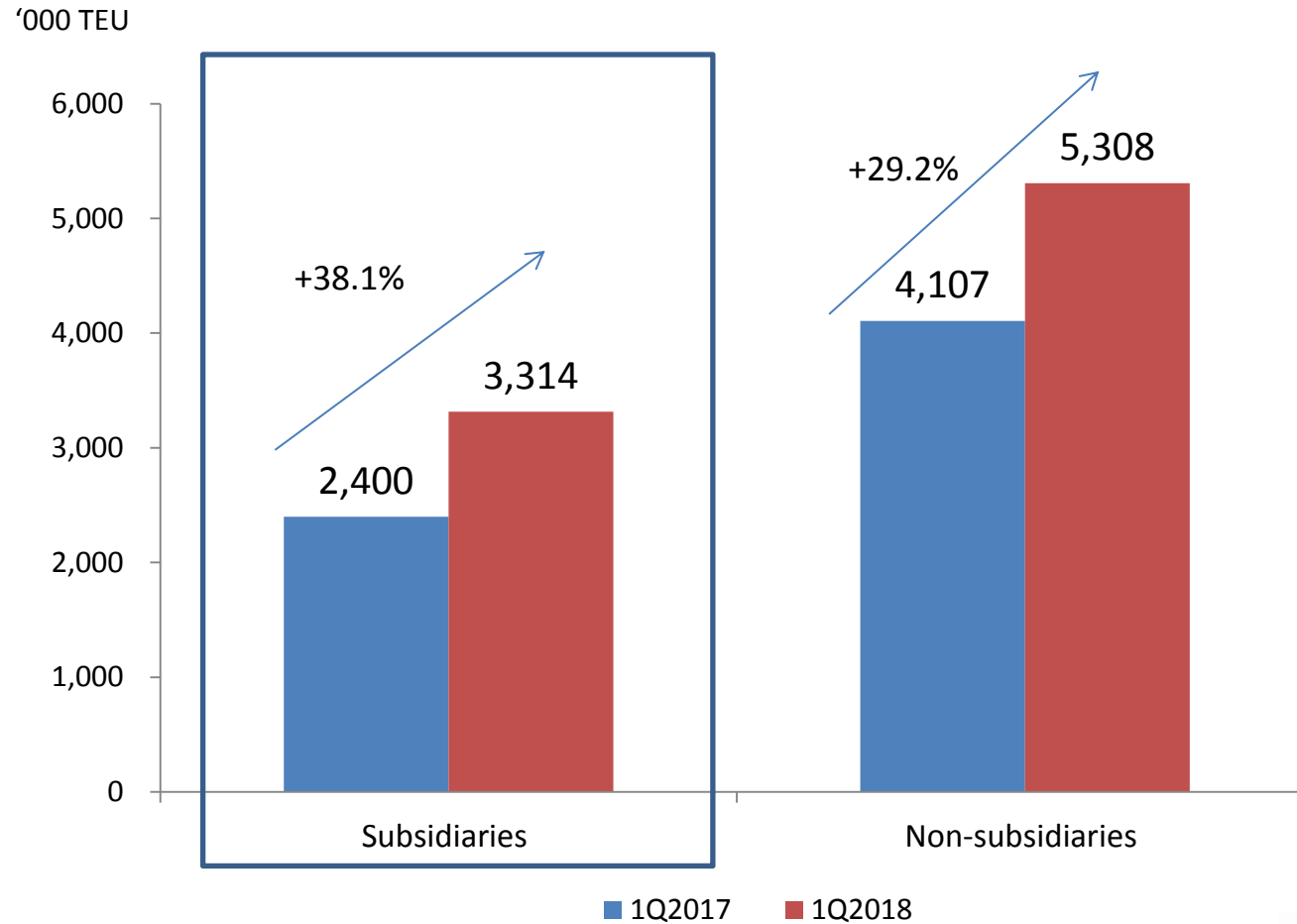
Continuous growth in equity throughput



TEU million	1Q2018	YoY	of total
Bohai Rim	2.0	+94.4%	23.4%
Pearl River Delta	1.9	+4.5%	21.6%
Yangtze River Delta	1.3	-0.5%	15.4%
S.E Coast & others	0.8	+35.2%	9.2%
S.W Coast	0.1	+0.2%	1.3%
Overseas	2.5	+51.8%	29.1%
Total	8.6	+32.5%	100%

- With increased calls from shipping alliances and contributions from QPI and Noatum, equity throughput of the Group increased 32.5% for the 1Q2018
- We expect growth of equity throughput will remain strong

Equity throughput - subsidiaries outperformed



Continuous to enhance synergies

- Ocean Alliance continued to increase calls at our terminals; contributions by Ocean Alliance accounted for about 47% of total subsidiaries' throughput in 1Q2018

Contributions from Ocean Alliance as % of total throughput

	1Q2018	1Q2017 *
PCT	67%	51%
Xiamen	90%	27%
Nansha	39%	24%
Lianyungang	63%	13%

* Calculated by adding throughput generated by members of Ocean Alliance before it formally launched in April 2017

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