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COSCO Pacific Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 1199)

ANNOUNCEMENT

CONNECTED TRANSACTIONS

FINANCE LEASE ARRANGEMENTS WITH FLORENS TIANJIN

Florens Tianjin, a non-wholly owned subsidiary of the Company, is developing its finance leasing business and financing platform. The board of Directors would like to announce that on 8th June 2012,

(1) Finance lease arrangements between Jinjiang Pacific and Florens Tianjin

- (a) Jinjiang Pacific, a non-wholly owned subsidiary of the Company, entered into an entrusted purchase agreement with Florens Tianjin pursuant to which Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for an empty container stacking machine and entrusted Jinjiang Pacific to acquire the stacking machine on its behalf. On the same date, a finance lease agreement was entered into between Jinjiang Pacific and Florens Tianjin pursuant to which Florens Tianjin has agreed to lease the stacking machine to Jinjiang Pacific for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the stacking machine and when Jinjiang Pacific possesses the stacking machine;
- (b) Jinjiang Pacific entered into an entrusted purchase agreement with Florens Tianjin pursuant to which Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for a quayside container crane and entrusted Jinjiang Pacific to acquire the crane on its behalf. On the same date, a finance lease agreement was entered into between Jinjiang Pacific and Florens Tianjin pursuant to which Florens Tianjin has agreed to lease the crane to Jinjiang Pacific for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the crane and when Jinjiang Pacific possesses the crane;
- (c) Jinjiang Pacific entered into an entrusted purchase agreement with Florens Tianjin pursuant to which Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for two rubber-tired container gantry cranes and entrusted Jinjiang Pacific to acquire the cranes on its behalf. On

the same date, a finance lease agreement was entered into between Jinjiang Pacific and Florens Tianjin pursuant to which Florens Tianjin has agreed to lease the cranes to Jinjiang Pacific for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the cranes and when Jinjiang Pacific possesses the cranes;

- (d) Jinjiang Pacific entered into a finance lease agreement with Florens Tianjin pursuant to which Florens Tianjin has agreed to purchase a front loader and a rail-mounted gantry crane from Jinjiang Pacific and to lease back the front loader and the crane to Jinjiang Pacific for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the front loader and the crane;

(2) Finance lease arrangements between Quan Zhou Pacific and Florens Tianjin

Quan Zhou Pacific, a non-wholly owned subsidiary of the Company, entered into an entrusted purchase agreement with Florens Tianjin pursuant to which Florens Tianjin ratified and confirmed the purchase contract entered into between Quan Zhou Pacific and a third party supplier for six electric rubber-tired container gantry cranes and entrusted Quan Zhou Pacific to acquire the cranes on its behalf. On the same date, a finance lease agreement was entered into between Quan Zhou Pacific and Florens Tianjin pursuant to which Florens Tianjin has agreed to lease the cranes to Quan Zhou Pacific for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the cranes and when Quan Zhou Pacific possesses the cranes; and

(3) Finance lease arrangements between Zhangjiagang Terminal and Florens Tianjin

Zhangjiagang Terminal, a non-wholly owned subsidiary of the Company, entered into a finance lease agreement with Florens Tianjin pursuant to which Florens Tianjin has agreed to purchase certain machinery and equipments for use at the container terminal including cranes, stacking machines and truckers from Zhangjiagang Terminal and to lease back such machinery and equipments to Zhangjiagang Terminal for a term of 8 years commencing from the date when Florens Tianjin makes the payment for the purchase of the machinery and equipments.

Florens Tianjin is indirectly owned as to 50% by each of the Company and COSCO and is a non-wholly owned subsidiary of the Company. As COSCO is the ultimate controlling shareholder of the Company and Florens Tianjin is an associate of COSCO, Florens Tianjin is a connected person of the Company. Accordingly, the entering into of each of the Agreements constitutes a connected transaction of the Company. As the applicable percentage ratios in respect of the transactions contemplated under the Agreements calculated in accordance with Chapter 14 of the Listing Rules on an aggregate basis exceed 0.1% but are less than 5%, the Agreements are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under the Listing Rules.

THE FINANCE LEASE ARRANGEMENTS

(1) First JP Entrusted Purchase Agreement and First JP Finance Lease Agreement

(a) First JP Entrusted Purchase Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the purchaser)
Jinjiang Pacific (as the entrusted agent)
- Subject matter** : Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for an empty container stacking machine and entrusted Jinjiang Pacific to acquire the stacking machine on its behalf.
- Consideration** : No fees shall be payable by Florens Tianjin to Jinjiang Pacific for the entrusted agency service.

The agreed consideration for the stacking machine under the First JP Entrusted Purchase Agreement is RMB1,800,000. Florens Tianjin will pay the agreed consideration of RMB1,800,000 or the actual purchase consideration for the stacking machine to be acquired from the supplier under the relevant purchase contract, whichever is lower. If the actual purchase consideration for the stacking machine under the relevant purchase contract exceeds the agreed consideration of RMB1,800,000, such additional amount shall be borne by Jinjiang Pacific.

Subject to the review and receipt by Florens Tianjin of all necessary documentation including a copy of the purchase contract entered into by Jinjiang Pacific and the compliance confirmation and invoice given by the supplier of the stacking machine, Florens Tianjin shall pay the cash consideration to a designated account solely for onward payment to the supplier of the stacking machine.

(b) First JP Finance Lease Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the lessor)
Jinjiang Pacific (as the lessee)
- Subject matter** : Subject to the entering into of the First JP Entrusted Purchase Agreement on the same date, Florens Tianjin agreed to lease the empty container stacking machine mentioned in part 1(a) above to Jinjiang Pacific subject to the terms and conditions of the First JP Finance Lease Agreement.
- Lease period** : The lease period of the stacking machine is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the stacking machine and when Jinjiang Pacific possesses the stacking machine.

Lease payments and other fees : The reference lease amount is RMB1,800,000 or the actual purchase consideration for the stacking machine from the supplier under the relevant purchase contract, whichever is lower, which is the same as the purchase consideration for the stacking machine to be paid by Florens Tianjin under the First JP Entrusted Purchase Agreement.

The reference annual interest rate for the purpose of the First JP Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the First JP Finance Lease Agreement.

The total lease payments payable under the First JP Finance Lease Agreement shall be RMB2,360,512 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the actual purchase consideration for the stacking machine under the First JP Entrusted Purchase Agreement is lower than RMB1,800,000 or the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the First JP Finance Lease Agreement will increase or decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

In addition to the above lease payments, from the date of the payment of the purchase consideration for the stacking machine by Florens Tianjin under the First JP Entrusted Purchase Agreement to the day before the commencement of the lease period, pre-lease interests will be charged on a daily basis at the same rate as that for the lease on the purchase consideration for the stacking machine and such interests shall be paid by Jinjiang Pacific at the end of each month.

A one-off non-refundable handling fee equal to 1% of the consideration for the stacking machine, shall be payable by Jinjiang Pacific to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the First JP Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

Ownership : The legal title of the stacking machine under the First JP Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.

Purchase option : Upon expiry of the First JP Finance Lease Agreement, Jinjiang Pacific shall have the option to purchase the stacking machine from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

(2) Second JP Entrusted Purchase Agreement and Second JP Finance Lease Agreement

(a) Second JP Entrusted Purchase Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the purchaser)
Jinjiang Pacific (as the entrusted agent)
- Subject matter** : Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for a quayside container crane and entrusted Jinjiang Pacific to acquire the crane on its behalf.
- Consideration** : No fees shall be payable by Florens Tianjin to Jinjiang Pacific for the entrusted agency service.

The agreed consideration for the crane under the Second JP Entrusted Purchase Agreement is RMB35,800,000. Florens Tianjin will pay the agreed consideration of RMB35,800,000 or the actual purchase consideration for the crane to be acquired from the supplier under the relevant purchase contract, whichever is lower. If the actual purchase consideration for the crane under the relevant purchase contract exceeds the agreed consideration of RMB35,800,000, such additional amount shall be borne by Jinjiang Pacific.

Subject to the review and receipt by Florens Tianjin of all necessary documentation including a copy of the purchase contract entered into by Jinjiang Pacific and the compliance confirmation and invoice given by the supplier of the crane, Florens Tianjin shall pay the cash consideration to a designated account solely for onward payment to the supplier of the crane.

(b) Second JP Finance Lease Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the lessor)
Jinjiang Pacific (as the lessee)
- Subject matter** : Subject to the entering into of the Second JP Entrusted Purchase Agreement on the same date, Florens Tianjin agreed to lease the quayside container crane mentioned in part 2(a) above to Jinjiang Pacific subject to the terms and conditions of the Second JP Finance Lease Agreement.
- Lease period** : The lease period of the crane is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the crane and when Jinjiang Pacific possesses the crane.
- Lease payments and other fees** : The reference lease amount is RMB35,800,000 or the actual purchase consideration for the crane from the supplier under the relevant purchase contract, whichever is lower, which is the same

as the purchase consideration for the crane to be paid by Florens Tianjin under the Second JP Entrusted Purchase Agreement.

The reference annual interest rate for the purpose of the Second JP Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the Second JP Finance Lease Agreement.

The total lease payments payable under the Second JP Finance Lease Agreement shall be RMB46,947,959.04 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the actual purchase consideration for the crane under the Second JP Entrusted Purchase Agreement is lower than RMB35,800,000 or the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the Second JP Finance Lease Agreement will increase or decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

In addition to the above lease payments, from the date of the payment of the purchase consideration for the crane by Florens Tianjin under the Second JP Entrusted Purchase Agreement to the day before the commencement of the lease period, pre-lease interests will be charged on a daily basis at the same rate as that for the lease on the purchase consideration for the crane and such interests shall be paid by Jinjiang Pacific at the end of each month.

A one-off non-refundable handling fee equal to 1% of the purchase consideration for the crane, shall be payable by Jinjiang Pacific to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the Second JP Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

Ownership : The legal title of the crane under the Second JP Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.

Purchase option : Upon expiry of the Second JP Finance Lease Agreement, Jinjiang Pacific shall have the option to purchase the crane from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

(3) Third JP Entrusted Purchase Agreement and Third JP Finance Lease Agreement

(a) Third JP Entrusted Purchase Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the purchaser)
Jinjiang Pacific (as the entrusted agent)
- Subject matter** : Florens Tianjin ratified and confirmed the purchase contract entered into between Jinjiang Pacific and a third party supplier for two rubber-tired container gantry cranes and entrusted Jinjiang Pacific to acquire the cranes on its behalf.
- Consideration** : No fees shall be payable by Florens Tianjin to Jinjiang Pacific for the entrusted agency service.

The agreed consideration for the cranes under the Third JP Entrusted Purchase Agreement is RMB13,591,200. Florens Tianjin will pay the agreed consideration of RMB13,591,200 or the actual purchase consideration for the cranes from the supplier under the relevant purchase contract, whichever is lower. If the actual purchase consideration for the cranes under the relevant purchase contract exceeds the agreed consideration of RMB13,591,200, such additional amount shall be borne by Jinjiang Pacific.

Subject to the review and receipt by Florens Tianjin of all necessary documentation including a copy of the purchase contract entered into by Jinjiang Pacific and the compliance confirmation and invoice given by the supplier of the cranes, Florens Tianjin shall pay the cash consideration to a designated account solely for onward payment to the supplier of the cranes.

(b) Third JP Finance Lease Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the lessor)
Jinjiang Pacific (as the lessee)
- Subject matter** : Subject to the entering into of the Third JP Entrusted Purchase Agreement on the same date, Florens Tianjin agreed to lease the two rubber-tired container gantry cranes mentioned in part 3(a) above to Jinjiang Pacific subject to the terms and conditions of the Third JP Finance Lease Agreement.
- Lease period** : The lease period of the cranes is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the cranes and when Jinjiang Pacific possesses the cranes.
- Lease payments and other fees** : The reference lease amount is RMB13,591,200 or the actual purchase consideration for the cranes from the supplier under the relevant purchase contract, whichever is lower, which is the same

as the purchase consideration for the cranes to be paid by Florens Tianjin under the Third JP Entrusted Purchase Agreement.

The reference annual interest rate for the purpose of the Third JP Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the Third JP Finance Lease Agreement.

The total lease payments payable under the Third JP Finance Lease Agreement shall be RMB17,823,438.72 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the actual purchase consideration for the cranes under the Third JP Entrusted Purchase Agreement is lower than RMB13,591,200 or the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the Third JP Finance Lease Agreement will increase or decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

In addition to the above lease payments, from the date of the payment of the purchase consideration for the cranes by Florens Tianjin under the Third JP Entrusted Purchase Agreement to the day before the commencement of the lease period, pre-lease interests will be charged on a daily basis at the same rate as that for the lease on the purchase consideration for the cranes and such interests shall be paid by Jinjiang Pacific at the end of each month.

A one-off non-refundable handling fee equal to 1% of the purchase consideration for the cranes, shall be payable by Jinjiang Pacific to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the Third JP Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

Ownership : The legal titles of the cranes under the Third JP Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.

Purchase option : Upon expiry of the Third JP Finance Lease Agreement, Jinjiang Pacific shall have the option to purchase the cranes from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

(4) Fourth JP Finance Lease Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the lessor)
Jinjiang Pacific (as the lessee)
- Subject matter** : Florens Tianjin has agreed to purchase from Jinjiang Pacific a front loader and a rail-mounted gantry crane and Jinjiang Pacific has agreed to lease back the front loader and the crane from Florens Tianjin subject to the terms and conditions of the Fourth JP Finance Lease Agreement.
- Consideration** : The consideration payable by Florens Tianjin to Jinjiang Pacific for the purchase of the front loader and the crane under the Fourth JP Finance Lease Agreement is RMB5,891,000. The cost of the front loader and crane as originally acquired by Jinjiang Pacific was RMB5,950,000.
- The consideration shall be paid by Florens Tianjin subject to the conditions that Jinjiang Pacific has provided to Florens Tianjin all documents of titles of the front loader and the crane and all other documentation which Florens Tianjin reasonably considers necessary and Jinjiang Pacific has insured against the front loader and the crane, if any, pursuant to the Fourth JP Finance Lease Agreement.
- Lease period** : The lease period of the front loader and the crane is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the front loader and the crane.
- Lease payments and other fees** : The lease amount is RMB5,891,000, which is the same as the purchase consideration for the front loader and the crane to be paid by Florens Tianjin.

The reference annual interest rate for the purpose of the Fourth JP Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the Fourth JP Finance Lease Agreement.

The total lease payments payable under the Fourth JP Finance Lease Agreement shall be RMB7,725,431.04 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the Fourth JP Finance Lease Agreement will increase or decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

A one-off non-refundable handling fee equal to 1% of the purchase consideration for the front loader and the crane, shall be payable by

Jinjiang Pacific to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the Fourth JP Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

- Ownership** : The legal titles of the front loader and the crane under the Fourth JP Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.
- Buyback option** : Upon expiry of the Fourth JP Finance Lease Agreement, Jinjiang Pacific shall have the option to purchase the front loader and the crane from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

(5) QZP Entrusted Purchase Agreement and QZP Finance Lease Agreement

(a) QZP Entrusted Purchase Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the purchaser)
Quan Zhou Pacific (as the entrusted agent)
- Subject matter** : Florens Tianjin ratified and confirmed the purchase contract entered into between Quan Zhou Pacific and a third party supplier for six electric rubber-tired container gantry cranes and entrusted Quan Zhou Pacific to acquire the cranes on its behalf.
- Consideration** : No fees shall be payable by Florens Tianjin to Quan Zhou Pacific for the entrusted agency service.

The agreed consideration for the cranes under the QZP Entrusted Purchase Agreement is RMB50,000,000. Florens Tianjin will pay the agreed consideration of RMB50,000,000 or the actual purchase consideration for the cranes from the supplier under the relevant purchase contract, whichever is lower. If the actual purchase consideration for the cranes under the relevant purchase contract exceeds the agreed consideration of RMB50,000,000, such additional amount shall be borne by Quan Zhou Pacific.

Subject to the review and receipt by Florens Tianjin of all necessary documentation including a copy of the purchase contract entered into by Quan Zhou Pacific and the compliance confirmation and invoice given by the supplier of the cranes, Florens Tianjin shall pay the cash consideration to a designated account solely for onward payment to the supplier of the cranes.

(b) QZP Finance Lease Agreement

- Date** : 8th June 2012
- Parties** : Florens Tianjin (as the lessor)
Quan Zhou Pacific (as the lessee)
- Subject matter** : Subject to the entering into of the QZP Entrusted Purchase Agreement on the same date, Florens Tianjin agreed to lease the six electric rubber-tired container gantry cranes mentioned in part 5(a) above to Quan Zhou Pacific subject to the terms and conditions of the QZP Finance Lease Agreement.
- Lease period** : The lease period of the cranes is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the cranes and when Quan Zhou Pacific possesses the cranes.
- Lease payments and other fees** : The reference lease amount is RMB50,000,000 or the actual purchase consideration for the cranes from the supplier under the relevant purchase contract, whichever is lower, which is the same as the purchase consideration for the cranes to be paid by Florens Tianjin under the QZP Entrusted Purchase Agreement.

The reference annual interest rate for the purpose of the QZP Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the QZP Finance Lease Agreement.

The total lease payments payable under the QZP Finance Lease Agreement shall be RMB65,569,775.36 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the actual purchase consideration for the cranes under the QZP Entrusted Purchase Agreement is lower than RMB50,000,000 or the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the QZP Finance Lease Agreement will increase and decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

In addition to the above lease payments, from the date of the payment of the purchase consideration for the cranes by Florens Tianjin under the QZP Entrusted Purchase Agreement to the day before the commencement of the lease period, pre-lease interests will be charged on a daily basis at the same rate as that for the lease on the purchase consideration for the cranes and such interests shall be paid by Quan Zhou Pacific at the end of each month.

A one-off non-refundable handling fee equal to 1% of the purchase consideration for the cranes, shall be payable by Quan Zhou Pacific to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the QZP Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

Ownership : The legal titles of the cranes under the QZP Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.

Purchase option : Upon expiry of the QZP Finance Lease Agreement, Quan Zhou Pacific shall have the option to purchase the cranes from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

(6) ZJG Finance Lease Agreement

Date : 8th June 2012

Parties : Florens Tianjin (as the lessor)
Zhangjiagang Terminal (as the lessee)

Subject matter : Florens Tianjin has agreed to purchase from Zhangjiagang Terminal certain machinery and equipments for use at the container terminal including cranes, stacking machines and truckers and Zhangjiagang Terminal has agreed to lease back the machinery and equipments from Florens Tianjin subject to the terms and conditions of the ZJG Finance Lease Agreement.

Consideration : The consideration payable by Florens Tianjin to Zhangjiagang Terminal for the machinery and equipments under the ZJG Finance Lease Agreement is RMB66,007,250.34.

The consideration shall be paid by Florens Tianjin subject to the conditions that Zhangjiagang Terminal has provided to Florens Tianjin all documents of titles of the machinery and equipments and all other documentation which Florens Tianjin reasonably considers necessary and Zhangjiagang Terminal has insured against the machinery and equipments, if any, pursuant to the ZJG Finance Lease Agreement.

Lease period : The lease period of the machinery and equipments is 8 years, commencing from the date when Florens Tianjin makes the payment for the purchase of the machinery and equipments.

Lease payments and other fees : The lease amount is RMB66,007,250.34, which is the same as the purchase consideration for the machinery and equipments to be paid by Florens Tianjin.

The reference annual interest rate for the purpose of the ZJG Finance Lease Agreement is 2% above the annual RMB benchmark lending rate for over 5-year loan published by the People's Bank of China, which was 6.936% as at the date of the ZJG Finance Lease Agreement.

The total lease payments payable under the ZJG Finance Lease Agreement shall be RMB86,561,611.52 and will be paid in equal quarterly instalments during the lease period but the said total lease payments are subject to adjustments in the event that the annual RMB benchmark lending rate mentioned above changes. If the said annual RMB benchmark lending rate changes, the interest rate under the ZJG Finance Lease Agreement will increase or decrease accordingly to the same extent. Following the change in the amount of the total lease payments, if any, the outstanding quarterly lease payments will be adjusted accordingly.

A one-off non-refundable handling fee equal to 1% of the purchase consideration for the machinery and equipments, shall be payable by Zhangjiagang Terminal to Florens Tianjin 2 days before the commencement of the lease period.

The payments to be made under the ZJG Finance Lease Agreement were determined after arm's length negotiation between the lessor and lessee with reference to the prevailing market rate for finance leases of comparable machines.

- Ownership** : The legal titles of the machinery and equipments under the ZJG Finance Lease Agreement shall vest in Florens Tianjin throughout the lease period.
- Buyback option** : Upon expiry of the ZJG Finance Lease Agreement, Zhangjiagang Terminal shall have the option to purchase the machinery and equipments from Florens Tianjin at an agreed nominal amount of not more than RMB10,000.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

By entering into finance lease arrangements under the Agreements, Florens Tianjin can further develop its finance leasing business and financing platform. At the same time, it will provide an alternative source of financing available to the terminal companies of the Group.

None of the Directors has a material interest in the transactions contemplated under the Agreements but Dr. FAN HSU Lai Tai, Rita has voluntarily abstained from voting on the relevant board resolutions approving the Agreements for the reason that she is also an independent non-executive director of China COSCO Holdings Company Limited, a subsidiary of COSCO. The Directors (including other independent non-executive Directors) consider that the entering into of the Agreements is in the interests of the Company and its shareholders as a whole, and the terms of the Agreements are on normal commercial terms and fair and reasonable.

LISTING RULES IMPLICATIONS

Florens Tianjin is indirectly owned as to 50% by each of the Company and COSCO and is a non-wholly owned subsidiary of the Company. As COSCO is the ultimate controlling shareholder of the Company and Florens Tianjin is an associate of COSCO, Florens Tianjin is a connected person of the Company. Accordingly, the entering into of each of the Agreements constitutes a connected transaction of the Company. As the applicable percentage ratios in respect of the transactions contemplated under the Agreements calculated in accordance with Chapter 14 of the Listing Rules on an aggregate basis exceed 0.1% but are less than 5%, the Agreements are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under the Listing Rules.

GENERAL

The Group is principally engaged in the businesses of managing and operating terminals, container leasing, management and sale, container manufacturing, and their related businesses.

The principal businesses of Jinjiang Pacific, Quan Zhou Pacific and Zhangjiagang Terminal are the operation of terminal.

Florens Tianjin is principally engaged in the business of finance leasing.

DEFINITIONS

“Agreements”	the First JP Finance Lease Agreement, the Second JP Finance Lease Agreement, the Third JP Finance Lease Agreement, the Fourth JP Finance Lease Agreement, the QZP Finance Lease Agreement, the ZJG Finance Lease Agreement, the First JP Entrusted Purchase Agreement, the Second JP Entrusted Purchase Agreement, the Third JP Entrusted Purchase Agreement and the QZP Entrusted Purchase Agreement
“associate”	has the meaning ascribed thereto in the Listing Rules
“Company”	COSCO Pacific Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“COSCO”	China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a company incorporated in the PRC with limited liability and the ultimate controlling shareholder of the Company
“Directors”	the directors of the Company
“First JP Entrusted Purchase Agreement”	an entrusted purchase agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 ratifying and confirming the purchase of an empty container stacking machine by Jinjiang Pacific, the terms of which are summarised in this Announcement

“First JP Finance Lease Agreement”	a conditional finance lease agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 for lease of an empty container stacking machine, the terms of which are summarised in this Announcement
“Florens Tianjin”	Florens (Tianjin) Finance Leasing Co., Ltd. (佛羅倫(天津)融資租賃有限公司), a foreign enterprise established in the PRC with limited liability and a non-wholly owned subsidiary of the Company which is indirectly owned as to 50% by each of the Company and COSCO
“Fourth JP Finance Lease Agreement”	a conditional finance lease agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 for lease of a front loader and a rail-mounted gantry crane, the terms of which are summarised in this Announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinjiang Pacific”	Jinjiang Pacific Ports Development Co., Ltd., a company incorporated in the PRC with limited liability and owned as to 80% by the Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Quan Zhou Pacific”	Quan Zhou Pacific Container Terminal Co., Ltd., a company incorporated in the PRC with limited liability and owned as to approximately 71.43% by the Company
“QZP Entrusted Purchase Agreement”	an entrusted purchase agreement entered into between Quan Zhou Pacific and Florens Tianjin on 8th June 2012 ratifying and confirming the purchase of six electric rubber-tired container gantry cranes by Quan Zhou Pacific, the terms of which are summarised in this Announcement
“QZP Finance Lease Agreement”	a conditional finance lease agreement entered into between Quan Zhou Pacific and Florens Tianjin on 8th June 2012 for lease of six electric rubber-tired container gantry cranes, the terms of which are summarised in this Announcement
“Second JP Entrusted Purchase Agreement”	an entrusted purchase agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 ratifying and confirming the purchase of a quayside container crane by Jinjiang Pacific, the terms of which are summarised in this Announcement
“Second JP Finance Lease Agreement”	a conditional finance lease agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 for lease of a quayside container crane, the terms of which are summarised in this Announcement

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Third JP Entrusted Purchase Agreement”	an entrusted purchase agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 ratifying and confirming the purchase of two rubber-tired container gantry cranes by Jinjiang Pacific, the terms of which are summarised in this Announcement
“Third JP Finance Lease Agreement”	a conditional finance lease agreement entered into between Jinjiang Pacific and Florens Tianjin on 8th June 2012 for lease of two rubber-tired container gantry cranes, the terms of which are summarised in this Announcement
“ZJG Finance Lease Agreement”	a conditional finance lease agreement entered into between Zhangjiagang Terminal and Florens Tianjin on 8th June 2012 for lease of certain machinery and equipments for use at the container terminals including cranes, stacking machines and truckers, the terms of which are summarised in this Announcement
“Zhangjiagang Terminal”	Zhangjiagang Win Hanverky Container Terminal Co., Ltd., a company incorporated in the PRC with limited liability and owned as to 51% by the Company
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

By Order of the Board
COSCO Pacific Limited
WANG Xingru
Vice Chairman & Managing Director

Hong Kong, 8th June 2012

As at the date of this announcement, the board of Directors of the Company comprises Mr. LI Yunpeng² (Chairman), Dr. WANG Xingru¹ (Vice Chairman and Managing Director), Mr. WAN Min², Mr. HE Jiale¹, Mr. FENG Jinhua¹, Mr. FENG Bo¹, Mr. WANG Haimin², Mr. WANG Wei², Dr. WONG Tin Yau, Kelvin¹, Mr. YIN Weiyu¹, Mr. CHOW Kwong Fai, Edward³, Mr. Timothy George FRESHWATER³, Dr. FAN HSU Lai Tai, Rita³ and Mr. Adrian David LI Man Kiu³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director