Press Release **30 March 2010**

COSCO Pacific Limited

(Incorporated in Bermuda with Limited Liability)

<u>2009 Final Results</u>

Navigating through turbulent times

The Board of Directors of COSCO Pacific Limited ("COSCO Pacific" or the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year of 2009. During the year, the marine container transportation industry faced its toughest market conditions. Despite this adverse market change, COSCO Pacific was able to report a profit attributable to the equity holders of the Company of US$172,526,000, albeit a 37.2% reduction comparing to a year ago.

The global economic downturn in 2009 has created substantial uncertainty over the outlook for worldwide container trade. Despite this difficult time for its businesses, with its strong parental support and extensive expertise in container related industries, COSCO Pacific has built its competitive edge with a resilient business model. This model is allowing the Company to navigate through the turbulent times, as well as, to seize upon the business opportunities that are arising in this complex economic realignment.

- Turnover increased by 3.4% to US$349,424,000 (2008: US$337,973,000)
- Profit attributable to equity holders of the Company decreased by 37.2% to US$172,526,000 (2008: US$274,725,000).
- Final cash dividend of US1.199 cents (2008: US1.382 cents) per share has been proposed. Full-year dividend was US3.061 cents (2008:US4.896 cents) per share with a payout ratio at 40.0% (2008:40.0%).
- Container throughput dropped by 5.1% to 43,549,810 TEUs (2008: 45,878,875 TEUs).
- Container fleet sized decreased by 2.4% to 1,582,614 TEUs (2008: 1,621,222 TEUs)
- Disposal of 49% equity interests of COSCO Logistics Co., Ltd. at a cash consideration of Rmb2,000,000,000 (equivalent to approximately US$292,900,000). The transaction allows the Group to concentrate its resources on the development of its terminal businesses. Disposal gain (net of tax and direct expenses) of approximately US$85,000,000 will be recognised in 2010.

DIVIDEND DISTRIBUTION

The Board has proposed a final dividend of HK9.3 cents per share for the fiscal year 2009. Together with the interim dividend of HK14.4 cents per share paid on 22nd September 2009, the full-year dividend for 2009 will be HK23.7 cents per share, down by 37.8% from the previous year's HK38.1 cents per share. This represented a 40.0% payout ratio for 2009 (2008: 40.0%).

FINACIAL REVIEW

>> Terminal revenue grew by 40.1%

The Group's revenue rose 3.4% to US$349,424,000 in 2009. Our container leasing division accounted for US$229,831,000 (2008: US$252,620,000), or 65.8% (2008: 74.7%) of the Group's total revenue, while our terminal division generated the remaining 34.2% (2008: 25.3%), which amounted to US$119,593,000 (2008: US$85,353,000).

During the year, thanks to the solid performance and expansion of the Group's five terminal subsidiaries, our terminal division achieved a strong revenue growth by 40.1% in 2009. Quan Zhou Pacific Terminal and Yangzhou Yuanyang Terminal delivered stable revenue growth. Jinjiang Pacific Terminal made its first full year contribution. Furthermore, Piraeus Terminal has contributed three months of revenue since the Group took over this terminal in October 2009.

>> Terminal continued as the largest profit contributor

Profit attributable to equity holders of the Company decreased by 37.2% to US$172,526,000 for the year of 2009 with terminal division remaining as the largest profit contributor. All of our three major business divisions experienced profit declines.

- The overall 5.1% drop of terminal throughput caused terminal divisional profit to fall by 30.7% year-on-year to US$83,554,000.

- Impacted by 4 percentage points drop of average utilisation rate of its leasing fleet, which also shrank by 2.4%, profit contribution from the container leasing division decreased by 37.9% to US$71,375,000.

- Profit contribution from the container manufacturing division decreased by 21.5% to US$30,876,000, as CIMC's profit contribution reduced by 35.1% to US$25,360,000 because of the halt in container production during the year.

BUSINESS REVIEW - TERMINAL

In September 2009, Drewry released its annual review for global container terminal operators for the year 2008. COSCO Pacific continued to rank as the fifth largest port operator with its global market share increasing to 6.1% from 5.5% in the previous year.

The Group's total container throughput was declined by 5.1% year-on-year to 43,549,810 TEUs as a result of the decline in global container trade. However, our total container throughput in China, excluding Hong Kong, decreased by 4.0%, not only better than the 6.0% overall drop recorded by China ports, but also outperformed the 11.6% decline of global ports container throughput.

Terminals companies	2009 (TEUs)	2008 (TEUs)	y-o-y change
Bohai Rim	**17,487,346**	**17,103,887**	**+2.2%**
Qingdao Qianwan Container Terminal Co., Ltd.	8,961,785	8,715,098	+2.8%
Qingdao Cosport Int'l Container Terminals Co., Ltd.	1,145,352	1,099,937	+4.1%
Dalian Port Container Co., Ltd.	2,906,768	2,742,503	+6.0%
Dalian Port Container Terminals Co., Ltd.	1,509,401	1,656,968	-8.9%
Tianjin Five Continents Int'l Container Terminal Co., Ltd.	1,940,933	1,938,580	+0.1%
Yingkou Container Terminals Co., Ltd.	1,023,107	950,801	+7.6%
Yangtze River Delta	**8,383,257**	**9,503,821**	**-11.8%**
Shanghai Pudong Int'l Container Terminals Ltd.	2,291,281	2,779,109	-17.6%
Shanghai Container Terminals Ltd.	2,979,849	3,681,785	-19.1%
Ningbo Yuan Dong Terminals Ltd.	1,117,169	903,865	+23.6%
Zhangjiagang Win Hanverky Container Terminal Co., Ltd.	715,413	710,831	+0.6%
Yangzhou Yuanyang Int'l Ports Co., Ltd.	221,046	267,970	-17.5%
Nanjing Port Longtan Container Co., Ltd.	1,058,499	1,160,261	-8.8%
Pearl River Delta & Southeast Coast	**13,308,775**	**14,539,711**	**-8.5%**
COSCO-HIT Terminal (Hong Kong) Ltd.	1,360,945	1,752,251	-22.3%
Yantian Int'l Container Terminals Ltd.	8,579,013	9,683,493	-11.4%
Guangzhou South China Oceangate Container Terminal Co., Ltd.	2,158,291	2,000,130	+7.9%
Quan Zhou Pacific Container Terminal Co., Ltd.	936,136	910,058	+2.9%
Jinjiang Pacific Ports Development Co., Ltd.	274,390	193,779	+41.6%
Overseas	**4,370,432**	**4,731,456**	**-7.6%**
Piraeus Container Terminal S.A.	166,062	-	N/A
Suez Canal Container Terminal S.A.E.	2,659,584	2,392,516	+11.2%
COSCO-PSA Terminal Private Ltd.	904,829	1,247,283	-27.5%
Antwerp Gateway NV	639,957	1,091,657	-41.4%
Total container throughput in China	**39,179,378**	**41,147,419**	**-4.8%**
Total container throughput	**43,549,810**	**45,878,875**	**-5.1%**
Total throughput of break-bulk cargo (Tons)	**16,973,421**	**13,655,223**	**+24.3%**

>> Long-term strategy for port and terminal development

This achievement of an even stronger position in the market reflects the Group's continuing efforts to transform its business model by becoming a leading global port operator and by focusing on ports as the principal earnings driver. We have continued to pursue this long-term strategy based on four key elements of control, globalisation, diversification and enhancement of enterprise value.

>> Increasing controlling rights in terminals

The Group has placed increasing emphasis on obtaining controlling stakes in new terminal investments, and now holds such investments in six terminals: Piraeus Terminal, (100%), Zhangjiagang Win Hanverky Terminal (51%), Yangzhou Yuanyang Terminal (55.59%), Quan Zhou Pacific Terminal (71.43%), Jinjiang Pacific Terminal (80%) and Xiamen Ocean Gate Terminal, (70%). This strategy has successfully expanded the Group's revenue, which reached US$119,593,000 in 2009 (2008: US$85,353,000), representing a growth of 40.1% year-on-year.

>> Expanding worldwide terminal network with primary focus in China

Since its first overseas terminal investment in Singapore in 2003, COSCO Pacific has adjusted its investment strategy from solely focusing on China to become a global player with China as its primary market. During the year, another major milestone was achieved with the takeover of our first wholly owned terminal operation, Piraeus Terminal, which has added 1,600,000 TEUs of handling capacity to the portfolio. Upon completion of the upgrading of Pier 2 and the construction of Pier 3, this terminal will have a total capacity of 3,700,000 TEUs. The Group is confident that the Piraeus Terminal can be developed as a major transshipment centre in the Mediterranean region and as a gateway to Southern Europe.

>> Diversifying the terminal portfolio

The Group has diversified its terminal portfolio from investing solely in container berths to one that includes investments in break-bulk cargo and multi-purpose berths. This diversification serves to expand our sources of income. We have invested in 10 break-bulk cargo berths, among which 8 berths are operating, located in Quan Zhou Pacific Terminal, Jinjiang Pacific Terminal and Yangzhou Yuanyang Terminal. These berths achieved a strong 24.3% year-on-year aggregate throughput growth to 16,973,421 tons of cargo in 2009.

>> Enhancing enterprise value

Aiming to create value over the medium to long term, the Group deferred new terminal investments in response to the adverse market change in 2009. We nonetheless continued to undertake a substantial review of our terminal investment plans to ensure we are able to seize good investment opportunities at the right time to enhance the value of our terminal assets, and hence create enterprise value for COSCO Pacific.

BUSINESS REVIEW - Container Leasing, Management and Sale

>> Successful container leasing business model mitigates risk factors

The container leasing, management and sale businesses provide another core profit contribution for COSCO Pacific. We own the world's second largest container leasing company, with a fleet size of 1,582,614 TEUs as at 31st December 2009 (2008: 1,621,222 TEUs), accounting for approximately 14.3% (2008: approximately 13.6%) of the global container leasing market.

During the year, the Group's leasing fleet capacity shrank by 2.4% to 1,582,614 TEUs. Despite its average utilisation rate dropped by four percentage points to 90.6%, the fleet continued to perform well above the industry average, which at 86% experienced an eight percentage point decrease in 2009.

We limit risks by providing more long-term leasing services, which enable us to maintain a higher utilisation rate and reduce cyclical market risks. For the period ended 31st December 2009, 93.2% (2008: 92.2%) of the Group's total leasing revenue was generated from long-term leases.

We have built a resilient container leasing business model since we first began to offer leasing services to international customers in 1997. Since 2006, we have developed our leasing business as an asset light model through sale-and-manage-back and sale-and-lease-back container contracts. The complementary advantages of the leasing, management and sale of containers lower the Group's investment risks while consolidating its leading industry position.

AWARDS

COSCO Pacific's efforts in corporate governance and investor relations have been widely recognised externally, and in 2009 the Group has received the following awards.

- Titanium Award for "Corporate Governance and Investor Relations" in The Asset Triple A Corporate Awards organized by The Asset magazine

- "Corporate Governance Asia Recognition Award" by Corporate Governance Asia magazine for the third consecutive year

- 2008 Annual Report earned a citation for corporate governance disclosure from the Hong Kong Management Association

- "Grand Prix for Best Overall Investor Relations (Hong Kong)" in the small or mid cap category by IR magazine

- Hong Kong Outstanding Enterprise by the Economic Digest (Hong Kong) magazine

- The Company's legal team received the Shipping In-House Team of the Year award by Asian Legal Business

PROSPECTS

As to international trade, it is generally believed that the worst of the contraction is over and that imports and exports may return to sustainable growth. COSCO Pacific believes that its two core businesses of container terminals and container leasing are well positioned to take advantage of these positive trends and expects their performances to improve further in 2010.

On the container terminal side, with a strong presence in China, COSCO Pacific has already achieved a stronger than expected 23.0% year-on-year growth in container throughput volume in the first two months of 2010. The Group notes the persistently high unemployment rate and weak consumer confidence around the world, two critical factors that are likely to restrain the growth of international trade, including that with China. Notwithstanding this, COSCO Pacific believes further improvement of its terminal division performance for the full year in 2010 is achievable as long as the recent improvement in global containerised trade volumes is sustained.

The operating efficiency of the Group's container leasing division has improved further in the first two months of 2010. During this period, the average utilisation rate increased to 93.1%, representing a 2.5 percentage point rise from the full year average recorded in 2009. The on-going slow steaming operations of shipping lines and the strong upturn in cargo volume are likely to translate into stronger container leasing demand, and hence higher utilisation and rental yield for the Group in 2010.

As long as significant vulnerabilities in global economy remain, in particular financial vulnerabilities that can magnify business risks, COSCO Pacific will continue to maintain its prudent financial policy and tighten cost control in 2010. Provided global containerised trade continues to recover, COSCO Pacific will re-activate its capital expenditure programme so as to seize the opportunity for business growth. COSCO Pacific strongly believes that its long range planning will allow the Group to deliver profitability and long term stability to its shareholders.

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Details of the 2009 final results announcement is available in our website http://www.coscopac.com.hk) and the website of Hong Kong Exchanges and Clearing Limited (http://www.hkex.com.hk). For further inquiry, please contact:

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