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CHINA SHIPPING DEVELOPMENT COMPANY LIMITED
中海發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

Profit Warning

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group expects to record a considerable decline in its consolidated net profits for the financial year ended 31 December 2009 as compared to its consolidated net profits for the financial year ended 31 December 2008.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors of China Shipping Development Company Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and potential investors that the Group expects to record a considerable decline in its consolidated net profits for the financial year ended 31 December 2009 as compared to its consolidated net profits for the financial year ended 31 December 2008.

The profits attributable to the equity holders of the Company for the financial year 2008 was approximately RMB5,373,010,000 whilst earnings per share for the same year was RMB1.5864. Subject to audit, it is expected that the consolidated net profits of the Group for the financial year 2009 will decrease by more than 50% as compared to that for the financial year 2008.

The decline in profits was mainly due to the impact of the international financial crisis which resulted in sluggish demand and over supply of shipping capacity in the international and domestic shipping market, and which in turn resulted in the significant drop in the freight rates.

As the Company is in the process of finalizing its final results for the financial year ended 31 December 2009, the information in this announcement is based on a preliminary assessment by the Company's management according to the management accounts of the Group. Further details of the Group's performance will be disclosed when the Group's final results for the financial year ended 31 December 2009 are announced.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Listing Rules. The Company's A Shares are listed on the Shanghai Stock Exchange, and it has been requested by the Shanghai Stock Exchange to make an announcement similar to this announcement.

By Order of the Board of Directors
China Shipping Development Company Limited
Yao Qiaohong
Company Secretary

Shanghai, the PRC
29 January 2010

** As at the date of this announcement, the Board of Directors of the Company is comprised of Mr. Li Shaode, Mr. Ma Zehua, Mr. Lin Jianqing, Mr. Wang Daxiong, Mr. Zhang Guofa, Mr. Mao Shijia and Mr. Qiu Guoxuan as executive directors, Mr. Zhu Yongguang, Mr. Gu Gongyun, Mr. Zhang Jun and Mr. Lu Wenbin as independent non-executive directors*