

Highlights of the Year

2003



1st Quarter

- Announcement of acquisition of 20% of the enlarged registered capital in COSCO Real Estate Development Company Limited.
- Board Meeting was held to approve the audited financial statements of COSCO International and its subsidiaries for the year ended 31st December 2002.

2nd Quarter

- Pre-sale of Phase II of Fragrant Garden in Shanghai was launched. As at 31st December 2003, 410 flats were sold and the total proceeds received from the sales of Phase I and II approximately amounted to RMB807 million.
- Wholly owned subsidiary of COSCO International signed agreement for acquisition of a land situated at Yu Hung District with Shenyang Municipal Land Administration Bureau. The consideration amounted to RMB160 million. Wholly owned subsidiary of COSCO International formed a sino-foreign equity joint venture with COSCO Guangzhou Construction Industry Company ("COSCO GZ") and Guangzhou Yihe Investment & Development Company Limited ("Guangzhou Yihe") to develop the land parcel into a mid to high grading residential zone namely, Yihe Garden. The joint venture, namely Shenyang COSCO Yihe Property Development Company Limited ("Shenyang COSCO"), is a 51% owned subsidiary of COSCO International.

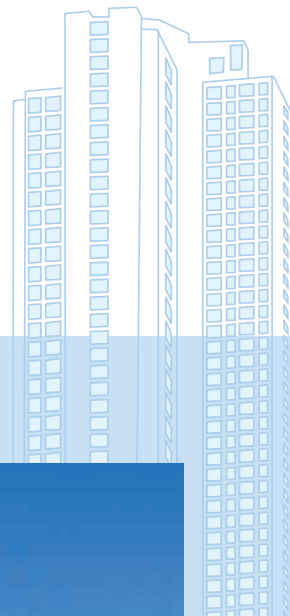




3rd Quarter

- The Phase I Zone II of Fragrant Garden in Shanghai received the 2002 Best Construction Works Project Award — Bai Yu Lan from Shanghai Municipal Government.
- The Sky Tower works project in To Kwa Wan constructed by Shun Shing Construction & Engineering Company Limited (“SSCE”) held the topping-out ceremony of Tower 1 on 28th August 2003. The other blocks were topped-out in September 2003.
- COSCO International announced its signing of conditional agreements with COSCO Industry Company and Shen-John Investment Company L.L.C. to acquire 34.19%, 34.19% and 10% equity interest in Shanghai COSCO Kansai Paint & Chemicals Co., Ltd. (“Shanghai Kansai”), Tianjin COSCO Kansai Paint & Chemicals Co., Ltd. (“Tianjin Kansai”) and International Paint of Shanghai Co., Ltd. respectively.
- Audit Committee Meeting was held to review the interim results of 2003.
- Board Meeting was held to approve the interim results of 2003 and other resolutions.

2003



4th Quarter

- Henan Power Plant implemented independent financial management policy. Henan Xinzhongyi Electric Power Co., Ltd. ("Henan XZY") took charge of the financial management of the power plant thoroughly so as to strengthen its cost control and enhance its economic effectiveness.
- Yihe Garden of Shenyang COSCO held the Stone Laying Foundation Ceremony. The ceremony was officiated by Mr. Chen Zhenggao, Mayor of Shenyang Municipal Government, Mr. Liu Guoyuan, Vice-Chairman of COSCO International and Mr. Liu Hanbo, Managing Director of COSCO International.
- COSCO International announced its signing of a conditional agreement with COSCO Pacific (China) Investments Co., Ltd., Florens Industrial Holdings Limited and COSCO Tianjin Ocean Shipping Company, so as to acquire in aggregate a further 28.88% equity interest in each of Shanghai Kansai and Tianjin Kansai respectively. In addition to the acquisition of 34.19% previously announced, the Company shall own in aggregate 63.07% equity interest in each of Shanghai Kansai and Tianjin Kansai and become their single largest shareholder.
- COSCO International granted share options with an exercisable price of HK\$0.57 exercisable within a term of 5 years.
- Mr. He Jiale was appointed as Executive Director of COSCO International and Mr. Lu Zhiming resigned as Executive Director of COSCO International.

2004



1st Quarter

- Acquisition of 63.07% equity interest in each of Shanghai Kansai and Tianjin Kansai completed.
- COSCO International entered into 11 tenancy agreements of COSCO Tower from 47th floor to 51st floor with COSCO (Hong Kong) Group Limited and its subsidiaries ("COSCO Hong Kong Group").
- Mr. Zhao Kaiji and Mr. Lin Libing were appointed as executive directors of COSCO International and Mr. Tsui Yiu Wa, Alec was appointed as Independent Non-Executive Director of COSCO International.
- Audit Committee Meeting was held to review the final results of 2003.
- COSCO International signed loan agreement with three prestigious banks. The unsecured credit facility of loan amounted to US\$45 million is purposed to finance the general working capital and corporate funding requirement of the Company.