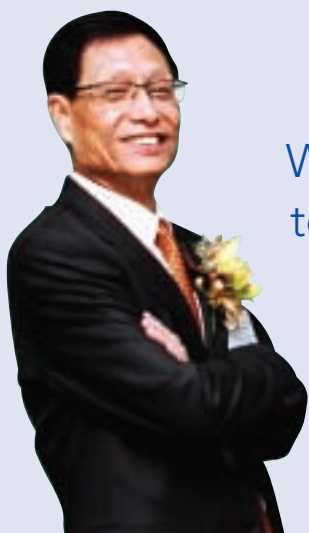


Chairman's Statement



We are uniquely positioned to tap into future development opportunities at the port of Tianjin, especially in the wake of the Eleventh Five Year Plan

Dear shareholders,

It is my pleasure to present to our shareholders of Tianjin Port Development Holdings Limited the status of our Company since its successful listing on the Hong Kong Stock Exchange on 24 May this year. The IPO was an important milestone for the Group since it was first established in 1968. In aggregate, we received HK\$1.26 billion of cash from the IPO, which doubles our shareholders' fund to HK\$2.8 billion. The well received IPO is yet another indicator of our promising future prospects.

In the period, we posted encouraging results with profits attributable to our shareholders of HK\$204 million (2005: HK\$76 million). This represents a 169% increase compared to the prior period. For the period, our results, profitability and operating margin all improved significantly. This was mainly due to management's persistent efforts to improve operational efficiency, a key element that our customers have come to count on. In line with our dividend policy outlined in the Prospectus, the Board has resolved not to recommend payment of an interim dividend for this period.

In the short time frame since our IPO in May this year, we have accomplished many of the objectives stated in the Prospectus. This includes the signing of the joint venture agreement to build a new terminal and the establishment of the steel distribution centre.

Looking forward, with our strengthened asset base and experienced management, we are uniquely positioned to tap into future development opportunities at the port of Tianjin, especially in the wake of the Eleventh Five Year Plan released in March of this year. We will maintain our proven strategy of strengthening handling efficiency to maximise profitability, and grow by actively seeking out new targets suitable for acquisition and/or investment. Our goal is to foster opportunities for active and sustainable growth with the aim of enhancing return for our shareholders.

Finally, on behalf of the Board of Directors, I would like to take this opportunity to express my sincere gratitude to a team of devoted staff for their outstanding performance and service and to our shareholders for your support.

WANG Guanghao

Chairman

Hong Kong, 12 September 2006