

The board of directors (the "Board") of China Shipping Development Company Limited (the "Company") is pleased to announce the interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2008 (the "Reporting Period"), together with the comparative figures for the six months ended 30 June 2007. The Group's interim results have not been audited but have been reviewed by the Company's auditors, UHY Vocation HK CPA Limited (certified public accountants in Hong Kong).

## CHANGES OF SHARE CAPITAL STRUCTURE AND NUMBER OF SHAREHOLDERS

### (1) Changes of share capital structure

Under the approval of China Security Regulatory Commission, the Company issued convertible bonds ("China Shipping Convertible Bonds") in the principal amount of RMB2,000 million on 2 July 2007. The China Shipping Convertible Bonds commenced its dealing on the Shanghai Stock Exchange on 12 July 2007. The proceeds have all been used for the acquisition of 42 dry bulk carriers from China Shipping (Group) Company and its subsidiaries.

Conversions of China Shipping Convertible Bonds commenced on 2 January 2008. As at 26 March 2008, a total face value of Rmb1,988,173,000 China Shipping Convertible Bonds have been converted into A Shares of the Company, with aggregate conversion of 78,552,270 Shares, representing 2.36% of the total issued share capital of the Company prior to the commencement of the conversion of China Shipping Convertible Bonds. The outstanding China Shipping Convertible Bonds with a total face value of Rmb11,827,000 have all been redeemed during the Reporting Period. Currently, the Company's share capital structure is as follows:

Class of Shares	Number of Shares	Approximate percentage to issued share capital
Restricted circulating A Shares	1,578,500,000	46.36%
Non-restricted circulating A Shares	530,052,270	15.57%
H Shares	1,296,000,000	38.07%
Total	<u>3,404,552,270</u>	<u>100.00%</u>

### (2) Information of shareholders

As at 30 June 2008, the total number of shareholders of the Company was 74,124, of which 250 were holders of H shares.