



中國遠洋控股股份有限公司
China COSCO Holdings Company Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code : 1919)

**ANNOUNCEMENT
CONSTRUCTION OF VESSELS**

Reference is made to the overseas regulatory announcement of the Company dated 22 April 2008 in relation to the construction of vessels made pursuant to Rule 13.09(2) of the Listing Rules.

The Board of the Company is pleased to announce that at the thirty-fifth meeting of the first session of the Board held on 22 April 2008, resolutions were passed for the proposals to place orders for the construction of eight 13,350 TEUs vessels, nine 57,000 DWT bulk vessels and eight 20,500 DWT bulk vessels.

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COSCON will enter into conditional construction of vessels contracts with NACKS for the construction of the eight 13,350 TEUs vessels.

COSCO Bulk and COSCO HK Shipping (as transferees) will enter into conditional novation agreements with COSCO International (as original buyer and transferor) and COSCO Shipyard Group (as seller) respectively, pursuant to which the rights and obligations of COSCO International under the original construction of vessels agreements in relation to the construction of nine 57,000 DWT bulk vessels will be sold and transferred to COSCO Bulk and COSCO HK Shipping.

COSCO Bulk and COSCO HK Shipping (as transferees) will enter into conditional novation agreements with Ching Tung and PMSL (as original buyers and transferors) and NACKS (as seller) respectively, pursuant to which the rights and obligations of Ching Tung and PMSL under the original construction of vessels agreements in relation to the construction of eight 205,000 DWT bulk vessels will be sold and transferred to COSCO Bulk and COSCO HK Shipping.

Subject to the contract, the consideration for the construction of vessels will be in an aggregate amount of US\$2,296,100,000 (equivalent to approximately HK\$17,794,775,000).

The other terms of the conditional construction of vessels contracts and the various conditional novation agreements are yet to be finalised. Further announcement will be made when the Company has entered into the agreements for the construction of vessels.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Board”	board of Directors
“Ching Tung”	Ching Tung (H.K.) Shipping Co., Ltd. (正東(香港)航運有限公司), a limited liability company incorporated in Hong Kong
“Company”	China COSCO Holdings Company Limited (中國遠洋控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange
“COSCO”	China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a Chinese State-owned enterprise, the controlling Shareholder currently owning an aggregate of 53.57% of the total registered capital of the Company
“COSCON”	COSCO Container Lines Company Limited (中遠集裝箱運輸有限公司), a limited liability company established in the PRC and a wholly owned subsidiary of the Company, and together with its designated subsidiaries

“COSCO Bulk”	COSCO Bulk Carrier Co., Ltd. (中遠散貨運輸有限公司), a limited company established in the PRC and a wholly owned subsidiary of the Company, together with its designated subsidiaries
“COSCO HK Shipping”	COSCO (Hong Kong) Shipping Co., Ltd. (中遠(香港)航運有限公司), a limited liability company incorporated in Hong Kong and a wholly owned subsidiary of the Company, and together with its designated subsidiaries
“COSCO International”	COSCO International Ship Trading Co., Ltd. (中遠國際船舶貿易有限公司), a limited company established in the PRC and a subsidiary of COSCO
“COSCO Shipyard Group”	COSCO Shipyard Group Co., Ltd. (中遠船務工程集團有限公司), a limited company established in the PRC which is indirectly owned as to 51% by COSCO Corporation (Singapore) Limited, which is owned as to 53.44% by COSCO
“DWT”	deadweight tons
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“NACKS”	Nantong COSCO KHI Ship Engineering Co., Ltd., a joint venture owned as to 50% by COSCO and as to 50% by Kawasaki Heavy Industries
“PMSL”	PMSL Shipping Services Limited (保盛船舶服務有限公司), a limited liability company incorporated in Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEU”	twenty-foot equivalent unit, a standard unit of measurement of the volume of a container with a length of 20 feet, height of 8 feet and 6 inches and width of 8 feet

“US\$”

United States dollars, the lawful currency of the United States

By Order of the Board
China COSCO Holdings Company Limited
Zhang Yongjian
Joint Company Secretary

Beijing, the PRC, 22 April 2008

As at the date of this announcement, the executive directors of the Company are Mr. WEI Jiafu (Chairman and CEO) and Mr. CHEN Hongsheng (President); the non-executive directors of the Company are Mr. ZHANG Fusheng (Vice Chairman), Mr. LI Jianhong, Mr. XU Lirong, Mr. ZHANG Liang and Ms. SUN Yueying; and the independent non-executive directors of the Company are Ms. LI Boxi; Mr. TSAO Wen King, Frank, Mr. Alexander Reid HAMILTON and Mr. CHENG Mo Chi.

The exchange rate adopted in this announcement for illustration purposes only is US\$1.00 = HK\$7.75.

** The Company is registered as an oversea company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name “China COSCO Holdings Company Limited”.*