



SINOTRANS SHIPPING LIMITED

中外运航运有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code 368)

ANNOUNCEMENT

This announcement is made by Sinotrans Shipping Limited (the "Company") pursuant to its obligations under rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company announces that it has today received notice from 中国对外贸易运输（集团）总公司(China National Foreign Trade Transportation (Group) Corporation) ("Sinotrans Group") according to 《关于推进国有资本调整和国有企业重组的指导意见》（国办发〔2006〕97号）(The Guidance Opinion on the Implementation of Adjustments of State-owned Capital and the Reorganisation of State Owned Enterprises (Guo Ban Fa no 297 of 2007)) issued by the State Council State Assets Committee, the promoter of the Company, Sinotrans Group is considering a possible merger with 中國長江航運（集團）總公司(China Yangtze Transportation (Group) Corporation). At present, Sinotrans Group is in discussions with 中國長江航運（集團）總公司(China Yangtze Transportation (Group) Corporation) on the key aspects of the possible merger and related reorganisation. There is no certainty as to whether or not the parties will reach agreement on such discussions. The Company will promptly make announcement of further developments.

As at the date of this announcement, Sinotrans Group holds 67.51% of the total issued share capital of the Company.

By order of the Board
Sinotrans Shipping Limited
Huen Po Wah
Company Secretary

Hong Kong, 17 June 2008

As at the date of this announcement, the Directors of the Company are Mr. Tian Zhongshan, Mr. Li Hua and Ms. Feng Guoying as Executive Directors; Mr. Zhao Huxiang(Chairman) and Mr. Pan Deyuan as Non-Executive Directors; and Mr. Hu Hanxiang, Mr. Tsang Hing Lun, Mr. Lee Peter Yip Wah and Mr. Zhou Qifang as Independent Non-Executive Directors.