

# Balanced Growth

In 2010, the global economic recovery provided impetus for the rebound of shipping and container related industries. By seizing these growth opportunities, COSCO Pacific achieved satisfactory results with strong profit growth in terminal, container leasing and container manufacturing businesses. Meanwhile, we continued to optimise our business model to accelerate terminal business development and to sustain solid growth in the container leasing business. As a result we enhanced the enterprise value of COSCO Pacific in 2010.

During the year, we increased the Group's revenue, implemented effective cost control and improved capital structure. Taking these measures, we expanded our business portfolio, further consolidated our leading position in the industry, and strengthened our profitability to enhance shareholder returns and to maximise enterprise value.

The global economy is solidly moving forward in 2011. China has commenced its 12th Five-Year Plan, which focuses on optimising China's economic structure and boosting its domestic demand so as to achieve solid and healthy economic growth for the next five years. It is expected that container transportation volume will maintain growth momentum, providing a favourable operating environment for the Group's terminal, container leasing and container manufacturing businesses in 2011.

COSCO Pacific will take this opportunity to further strengthen its terminal business model by expanding the business of its existing terminal portfolio and seeking quality port and terminal investments. Meanwhile, as the container demand remains strong, we will continue to expand our fleet capacity and develop our container leasing business.

Our duty is to build sustainable value for shareholders and to protect interests for stakeholders. Our efforts to be a good corporate citizen have focused on implementing policies to protect the social environment and maintaining high levels of transparency and corporate governance. As stated in our business model in related industries, we design our development programme to balance short-term interests and long-term investment return so as to sustain our long range planning and maximise COSCO Pacific's profitability, enterprise value and shareholder returns.

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