

BUSINESS OVERVIEW

Revenue

The Group's revenue rose by 22.8% to US\$735,500,000 (2011: US\$599,159,000). Revenue from the terminal business rose 24.4% to US\$402,161,000 (2011: US\$323,339,000) mainly due to the business growth of Piraeus Terminal and Guangzhou South China Oceangate Terminal. Revenue from the container leasing, management and sale businesses rose 21.6% to US\$336,224,000 (2011: US\$276,547,000), mainly attributable to an increase in the number of containers on hire and a sharp increase in the number of disposed returned containers upon expiry of 10-year leases.

Profitability

Gross profit rose by 21.7% to US\$315,282,000 (2011: US\$259,018,000). The increase was mainly attributable to an increase in gross profit from the disposed returned containers. The continuing improvement of operating efficiency at Piraeus Terminal and Guangzhou South China Oceangate Terminal was also a factor.

Profit from the terminal business and the container leasing, management and sale businesses grew steadily. However, the growth of the Group's overall profit was affected by a decrease in profit from CIMC. Excluding the share of profit from CIMC and non-recurring items¹, profit attributable to equity holders of the Company rose by 14.6% to US\$280,299,000 (2011: US\$244,574,000). Including the share of profit from CIMC and excluding the non-recurring items, profit attributable to equity holders of the Company was US\$342,194,000 (2011: US\$364,373,000), a decrease of 6.1%. Including the share of profit from CIMC and the non-recurring items, profit attributable to equity holders of the Company dropped by 12.0% to US\$342,194,000 (2011: US\$388,771,000).

Divisional Performance

Profit from the terminal business grew by 9.7% to US\$188,964,000 (2011: US\$172,333,000²). The rise was mainly due to equity throughput having increased by 13.8% to 15,638,070 TEU (2011: 13,744,329 TEU). Total throughput increased 9.8% to 55,685,225 TEU (2011: 50,695,897 TEU).

Profit from the container leasing, management and sale businesses increased by 19.8% to US\$139,522,000 (2011: US\$116,508,000). The increase was mainly due to the fact that disposal of returned containers soared 2.2 times to 31,671 TEU (2011: 9,826 TEU) while the container fleet size increased by 4.4% to 1,855,597 TEU (2011: 1,777,792 TEU).

The Group holds a 21.8% equity interest in CIMC. Share of profit from CIMC declined by 48.3% to US\$61,895,000 (2011: US\$119,799,000).

Dividend

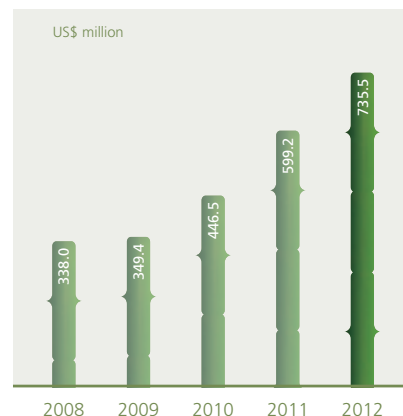
The proposed final dividend is HK18.3 cents per share (2011: HK17.4 cents). The dividend will be payable in cash and with a scrip dividend alternative. The full-year dividend was HK38.8 cents (2011: HK44.6 cents) representing a payout ratio of 40.0% (2011: 40.0%).

Notes

1. Non-recurring items in 2011 include a gain on release of exchange reserve of US\$11,841,000 upon reclassification of COSCO Ports (Nansha) Limited and its subsidiary, Guangzhou South China Oceangate Terminal, from jointly controlled entities to subsidiaries from 1st January 2011, and a gain on disposal of Qingdao Cosport Terminal of US\$12,557,000.
2. Excluding the gain of US\$12,557,000 on disposal of Qingdao Cosport Terminal in 2011

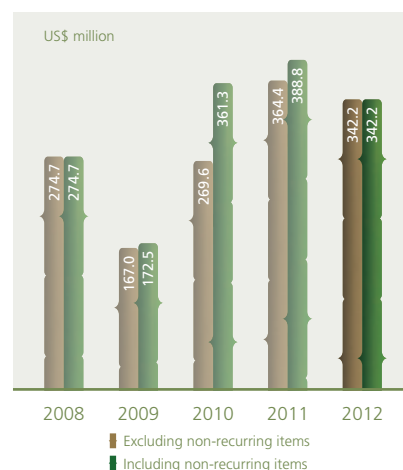
Revenue

US\$735.5 million



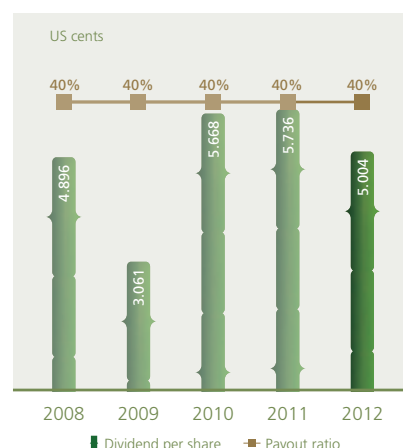
Profit attributable to equity holders of the Company

US\$342.2 million



Dividend per share and payout ratio

US5.004 cents



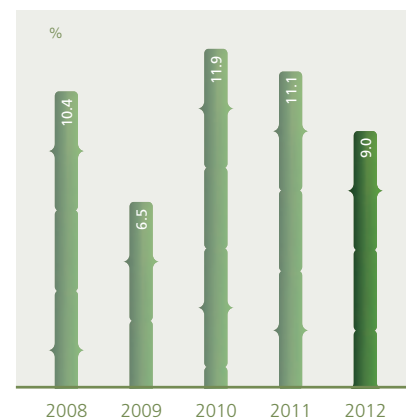
Results highlights			
	2012	2011	Change
	US\$	US\$	%
Revenue ¹	735,500,000	599,159,000	+22.8
Operating profit before finance income and finance costs	227,388,000	179,400,000	+26.7
Share of profits less losses of jointly controlled entities and associates	223,038,000	275,928,000	-19.2
Profit attributable to equity holders of the Company (excluding non-recurring items ²)	342,194,000	364,373,000	-6.1
Profit attributable to equity holders of the Company	342,194,000	388,771,000	-12.0
	US cents	US cents	%
Basic earnings per share (excluding non-recurring items ²)	12.51	13.44	-6.9
Basic earnings per share	12.51	14.34	-12.8
Dividend per share	5.004	5.736	-12.8
Interim dividend	2.640	3.496	-24.5
Final dividend	2.364	2.240	+5.5
Payout ratio	40.0%	40.0%	-
	US\$	US\$	%
Consolidated total assets	7,363,858,000	6,472,184,000	+13.8
Consolidated total liabilities	3,146,465,000	2,592,025,000	+21.4
Consolidated net assets	4,217,393,000	3,880,159,000	+8.7
Capital and reserves attributable to the equity holders of the Company	3,954,020,000	3,627,312,000	+9.0
Consolidated net debts	1,752,367,000	1,586,925,000	+10.4
	%	%	pp
Return on equity holders of the Company	9.0	11.1	-2.1
Return on total assets	4.9	6.6	-1.7
Net debt-to-total equity ratio	41.6	40.9	+0.7
Interest coverage (times)	5.9X	8.3X	-2.4X

Notes

- The Group's revenue was generated from Florens, Piraeus Terminal, Guangzhou South China Oceangate Terminal, Qian Zhou Pacific Terminal, Yangzhou Yuanyang Terminal, Zhangjiagang Terminal, Jinjiang Pacific Terminal, Xiamen Ocean Gate Terminal, Plangreat and its subsidiaries and COSCO Ports Services (Guangzhou) Limited.
- Non-recurring items in 2011 include a gain on release of exchange reserve of US\$11,841,000 upon reclassification of COSCO Ports (Nansha) Limited and its subsidiary, Guangzhou South China Oceangate Terminal, from jointly controlled entities to subsidiaries from 1st January 2011, and a gain on the disposal of Qingdao Cosport Terminal of US\$12,557,000.

Return on equity holders of the Company

9.0%



Basic earnings per share

US12.51 cents



Net debt-to-total equity ratio

41.6%

