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COSCO Pacific Limited
中遠太平洋有限公司
(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

AMENDMENT TO CONCESSION AGREEMENT IN RELATION TO THE CONTAINER TERMINAL OF PIERS 2 AND 3 OF PIRAEUS PORT

Reference is made to the 2013 Announcement.

As disclosed in the 2013 Announcement, PCT (a wholly owned subsidiary of the Company) and PPA intended to sign an Amendment Agreement to the Concession Agreement. The execution of the Amendment Agreement would take place upon the approvals of the Amendment Agreement by the shareholders of PPA and by the Hellenic Court of Audit. Thereafter the Amendment Agreement would only become effective after it had been ratified by the Hellenic Parliament.

The Board is pleased to announce that approvals of the Amendment Agreement by the shareholders of PPA and by the Hellenic Court of Audit have been obtained and that on 27 November 2014 (Greece time), PPA and PCT signed the Amendment Agreement (as revised).

After negotiations between PPA and PCT at arm's length, revisions to the Amendment Agreement have been made to the effect that (1) the guaranteed minimum payment will be suspended until 2021; and (2) from 2022 onwards, the guaranteed minimum payment will remain suspended as long as the actual GDP of Greece is below the GDP of Greece in 2008 (i.e. €210,443 million) plus a compounded increase of 2% per annum (as disclosed in the 2013 Announcement).

Pursuant to the ruling of the Hellenic Court of Audit dated 26 September 2014 with Judgment No. 3377/2014, PCT shall pay annual fees to PPA for the use of certain land and shoreline of the Western Part of Pier 3. After negotiations between PPA and PCT at arm's length, PCT shall pay the Additional Pier 3 Fees to PPA up to the end of September 2044. The Additional Pier 3 Fees are expected to be offset by the port dues and other income obtainable by PCT. Revisions to the Amendment Agreement have been made to reflect the Additional Pier 3 Fees so payable but no additional or separate agreement will be entered into.

The Directors consider that the suspension of the guaranteed minimum payment and the payment of the Additional Pier 3 Fees are on normal commercial terms, in the ordinary course of business of the Company, fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

As at the date of this announcement, the highest applicable percentage ratio calculated in accordance with Chapter 14 of the Listing Rules in relation to the execution of the Amendment Agreement (as revised) exceeds 5% but is less than 25%. The Amendment Agreement (as revised) constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

The Amendment Agreement (as revised) will only enter into force upon its ratification by the Hellenic Parliament. As the Amendment Agreement may or may not enter into force, Shareholders and potential investors of the Company are advised to exercise caution in dealing with the Shares.

Reference is made to the 2013 Announcement. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meaning as those defined in the 2013 Announcement.

BACKGROUND

As at the date of the 2013 Announcement, the Amendment Agreement had not yet been signed. It was intended that PCT and PPA would execute the Amendment Agreement upon the approval of the Amendment Agreement by the shareholders of PPA and by the Hellenic Court of Audit. Thereafter the Amendment Agreement would only become effective after it had been ratified by the Hellenic Parliament.

Major terms of the Amendment Agreement have been disclosed in the 2013 Announcement.

AMENDMENT AGREEMENT (AS REVISED)

Approvals of the Amendment Agreement by the shareholders of PPA and by the Hellenic Court of Audit have been obtained. The Hellenic Court of Audit has ruled that the signing of the Amendment Agreement is lawful and may be executed by PCT and PPA.

After negotiations between PPA and PCT at arm's length, revisions to the Amendment Agreement have been made to the effect that (1) the guaranteed minimum payment will be suspended until 2021; and (2) from 2022 onwards, the guaranteed minimum payment will remain suspended as long as the actual GDP of Greece is below the GDP of Greece in 2008 (i.e. €210,443 million) plus a compounded increase of 2% per annum (as disclosed in the 2013 Announcement).

On 27 November 2014 (Greece time), PPA and PCT signed the Amendment Agreement (as revised).

The Amendment Agreement (as revised) will only become effective after it has been ratified by the Hellenic Parliament.

ADDITIONAL PIER 3 FEES

Pursuant to the ruling of the Hellenic Court of Audit dated 26 September 2014 with Judgment No. 3377/2014, PCT shall pay annual fees to PPA for the use of certain land and shoreline of the Western Part of Pier 3.

After negotiations between PPA and PCT at arm's length, and as a logical extension of the terms of the Concession Agreement (as amended by the Amendment Agreement) to the Western Part of Pier 3, PCT shall pay the Additional Pier 3 Fees to PPA up to the end of September 2044. The Additional Pier 3 Fees are expected to be offset by the port dues and other income obtainable by PCT. Revisions to the Amendment Agreement have been made to reflect the Additional Pier 3 Fees so payable but no additional or separate agreement will be entered into.

REASONS FOR AND BENEFITS OF THE AMENDMENT AGREEMENT (AS REVISED)

The total consideration payable by PCT under the Amendment Agreement (as revised) remains estimated to amount to €258 million (equivalent to approximately HK\$2,516 million). The Additional Pier 3 Fees will be treated as additional operating expenses of PCT.

The reasons for and benefits of the Amendment Agreement have been disclosed in the 2013 Announcement. The Directors consider the terms of the Amendment Agreement (as revised) to be fair and reasonable and in the interest of the Shareholders as a whole.

The Directors consider that the suspension of the guaranteed minimum payment and the payment of the Additional Pier 3 Fees are on normal commercial terms, in the ordinary course of business of the Company, fair and reasonable and are in the interest of the Company and the Shareholders as a whole. The Directors agree to the payment of the Additional Pier 3 Fees for the reasons that it was so ruled by the Hellenic Court of Audit and that it is the usual practice for making such payment in the terminals business and PCT is currently paying corresponding fees to PPA regarding the use of the terminal at Pier 2.

INFORMATION ON THE GROUP, PCT, PPA AND PIRAEUS PORT

Information on the Group, PCT, PPA and Piraeus Port has been disclosed in the 2013 Announcement.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, the highest applicable percentage ratio calculated in accordance with Chapter 14 of the Listing Rules in relation to the execution of the Amendment Agreement (as revised) exceeds 5% but is less than 25%. The Amendment Agreement (as revised) constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

DEFINITIONS

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

“Additional Pier 3 Fees”	the annual fees payable by PCT to PPA pursuant to the ruling of the Hellenic Court of Audit dated 26 September 2014 and after negotiation at arm’s length between PCT and PPA, for the use of certain land and shoreline of the Western Part of Pier 3, which are calculated by reference to the length of the berths available for docking of container ships, and service area of the Western Part of Pier 3 and payable every 6 months during the term of the Concession Agreement (as amended by the Amendment Agreement) and subject to various adjustments and payable from the date on which the Western Part of Pier 3 comes into business operation, estimated to be a maximum sum of approximately €67 million (equivalent to approximately HK\$653 million), treated as additional operating expenses of PCT;
“2013 Announcement”	the announcement of the Company dated 12 November 2013 with title “Possible Discloseable Transaction - Proposed Amendment to Concession Agreement in relation to the Container Terminal of Piers 2 and 3 of Piraeus Port”.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

The Amendment Agreement (as revised) will only enter into force upon its ratification by the Hellenic Parliament. As the Amendment Agreement may or may not enter into force, Shareholders and potential investors of the Company are advised to exercise caution in dealing with the Shares.

In this announcement, unless otherwise stated, certain amounts denominated in € have been translated into HK\$ at an exchange rate of €1 = HK\$9.75, for illustration purposes only.

By Order of the Board
COSCO Pacific Limited
WANG Haimin
Deputy Managing Director

Hong Kong, 28 November 2014

As at the date of this announcement, the Board comprises Mr. LI Yunpeng² (Chairman), Mr. WAN Min², Mr. WANG Haimin¹, Mr. FENG Jinhua¹, Mr. TANG Runjiang¹, Mr. FENG Bo¹, Mr. WANG Wei², Dr. WONG Tin Yau, Kelvin¹, Mr. QIU Jinguang¹, Mr. Timothy George FRESHWATER³, Dr. FAN HSU Lai Tai, Rita³, Mr. Adrian David LI Man Kiu³, Mr. IP Sing Chi³ and Mr. FAN Ergang³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director