



中远投资(新加坡)有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

2Q07 Results: 3 months ended 30 June 2007

A Whole New League

Explosive growth propels Group to the next stage of expansion

| | 2Q07 | 2Q06 | Chg | 1H07 | 1H06 | Chg |
|----------------|----------------|---------|-------------|----------------|---------|-------------|
| | S\$'000 | S\$'000 | | S\$'000 | S\$'000 | |
| Turnover | 512,341 | 265,349 | +93% | 868,127 | 532,941 | +63% |
| Gross profit | 152,199 | 85,409 | +78% | 244,689 | 167,787 | +46% |
| Pre-tax profit | 138,895 | 74,141 | +87% | 206,345 | 132,418 | +56% |
| Net profit | 80,381 | 51,003 | +58% | 122,335 | 88,585 | +38% |
| EPS (cents) | 3.57 | 2.30 | +55% | 5.49 | 4.01 | +37% |

Highlights:

- Group turnover almost doubled fueled by strong contributions from the ship repair, ship building and marine engineering business.
- Ship repair, ship building and marine engineering business turned in 107% turnover growth on strong order book and major offshore revenues.
- Net profit rose 58% on strong repair and marine engineering earnings.
- Net profit would have risen by 79% if the effect of a \$6.0 million exceptional gain in Q2 2006 had been excluded.
- Group sets sail for next leg of expansion as growth momentum continues on booming demand, robust shipyard performance, ongoing capacity and capability enhancement.
- Group expects its FY2007 performance to be better than FY2006, barring unforeseen circumstances.

SINGAPORE (31 July 2007) – Singapore Exchange (“SGX”) mainboard-listed COSCO Corporation (Singapore) Limited (“COSCO” or the “Company”), a leading ship repair & marine engineering and shipping group, is pleased to announce further milestones achieved in Q2 2007 with net profit up 58% to another record-high \$80.4 million on turnover growth of 93% to \$512.3 million in Q2 2007.

This healthy performance was on the back of strong expansion of the Group’s shipyard operations as it completed and continued to secure a robust stream of offshore marine engineering and shipbuilding contracts.

Group turnover almost doubled from \$265.3 million in Q2 2006 to \$512.3 million in Q2 2007 mainly fueled by strong contributions from the ship repair, ship building and marine engineering business. This is the largest segment accounting for 88% of Group turnover in 2Q07. This segment delivered 107% in turnover growth from \$223.8 million in Q2 2006 to \$462.6 million in Q2 2007, driven by strong order book and progressive completion and recognition of several major offshore contracts. These include the lower pontoons for 2 semisubmersible rigs completed and delivered ahead of schedule in June 2007 to rave customer satisfaction.

The move up in value chain proved successful as the Group expanded its order book with more offshore marine engineering contracts such as constructions of semi-submersible vessels, heavy lift vessels, rig and FDPSO (Floating, drilling, production, storage and offloading) during the quarter.

Compared to Q1 2007, turnover registered a sequential growth of \$156.6 million or 44% from \$355.8 million in Q1 2007 to \$512.3 million in Q2 2007. Turnover grew 63% from \$532.9 million in 1H 2006 to \$868.1 million in 1H 2007. This was mainly supported by buoyant ship repair, ship building and marine engineering performance.

Gross profit rose 78% from \$85.4 million in Q2 2006 to \$152.2 million in Q2 2007 on the back of higher turnover from more offshore projects.

Overall, net profit attributable to equity holders of the Company rose 58% from \$51.0 million in Q2 2006 to \$80.4 million in Q2 2007 backed by strong repair and marine engineering project flow. Compared to 1H 2006, net profit rose 38% from \$88.6 million to \$122.3 million in 1H 2007.

Excluding the effect of the \$6.0 million exceptional gain in Q2 2006, net profit would have risen by 79% from the adjusted \$45.0 million in Q2 2006 and by 48% from the adjusted \$82.6 million in 1H 2006.

Mr. Ji Hai Sheng, Vice Chairman and President of COSCO Corporation said, “Our Group has successfully established itself as a major player in the offshore and shipbuilding fronts. Our consecutive quarters of strong growth speak for themselves as we set sail for our next leg of expansion. Going into 1H 2007, our Group is confident that growth momentum will continue, buoyed by booming demand and robust shipyard performance, and supported by ongoing capacity and capability enhancement.”

“In COSCO Zhoushan, a new 300,000 dwt (460m x 65m) dry dock was completed on 18 June 2007, 15 days ahead of schedule. Combined with the 80,000 dwt (280m x 40m) drydock recently completed and commenced operations on 19 March 2007, the total capacity of COSCO Shipyard Group (“CSG”) had increased 28% to 1.73 million dwt as of 30 June 2007 from 1.35 million dwt as at the end of 2006. As all the docking facilities within CSG are fully utilized, these two drydocks in Cosco Zhousan will contribute positively to the marine repair revenue and earnings,” added Mr. Ji.

During the quarter, the Group successfully secured US\$1.96 billion worth of contracts, including new shipbuilding contracts aggregating US\$1.5 billion in value. As of 30 June 2007, the Group’s order book stood at US\$ 2.8 billion. On 11 July 2007, the Group further announced the win of additional US\$563 million worth of shipbuilding and conversion contracts. This brings the total order book to US\$3.3 billion as of 31 July 2007, which is fairly evenly spread between offshore (US\$1.5 billion) and new shipbuilding (US\$1.8 billion) projects.

Barring unforeseen circumstances, the Group expects FY2007 performance to be better than that achieved in FY2006.

About COSCO Corporation (Singapore) Ltd

Listed on the main board of the Singapore Exchange, COSCO Corporation is a diversified group with core activities in shipping and shipping related services. The Group owns bulk carriers and majority stake in the largest shipyard group in China, operates shipping agencies as well as provides marine engineering and ship repair services. COSCO Corporation is the listed subsidiary of China Ocean Shipping (Group) Company, the largest shipping group in China.

For further information, please contact:

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