

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



*International*

## **COSCO International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 0517)**

### **ANNOUNCEMENT**

#### **Summary**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to announce that SORED, the Group's jointly controlled entity established in the PRC in which the Group had a 44% equity interest, underwent a group reorganisation by the end of 2006, pursuant to which, the Group's 44% equity interest in SORED had become a 44% shareholding interest in Newco which in turn holds 100% equity interest in SORED. Subsequent to the reorganisation, certain independent third-party investors subscribed for new shares in Newco. As a result, the Group's shareholding interest in Newco was diluted to 30.8% of the enlarged issued share capital of Newco. The Subscription has resulted in the Group recording an unrealised gain of approximately HK\$280 million (after taxation, subject to audit).

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by COSCO International Holdings Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the "Listing Rules").

The board of directors of the Company (the "Board") wishes to announce that 中遠房地產開發有限公司 (Sino Ocean Real Estate Development Co., Ltd.)\* ("SORED"), a jointly controlled entity of the Group established in the People's Republic of China (the "PRC") in which the Group, Wonderland Capital Inc. ("WCI") and 中國中化集團公司 (Sinochem Corporation)\* ("Sinochem") directly or indirectly had a 44%, 12% and 44% equity interest respectively, underwent a group reorganisation by the end of 2006, pursuant to which, each of the Group, WCI and Sinochem exchanged their respective interests in SORED for 44%, 12% and 44% shareholding interest respectively in a new holding company incorporated in the British Virgin Islands ("Newco") which in turn holds 100% equity interest in SORED. Subsequent to the reorganisation, certain independent third-party investors who are not connected persons of the Company, subscribed for new shares in Newco (the "Subscription"). As a result, the respective direct or indirect shareholding interests of the Group, WCI and Sinochem in Newco are currently 30.8%, 8.4% and 30.8% respectively. The Subscription has resulted in the Group recording an unrealised gain of approximately HK\$280 million (after taxation, subject to audit).

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**COSCO International Holdings Limited**  
**Liang Yanfeng**  
*Managing Director*

Hong Kong, 1st March 2007

*\* For identification purpose only*

*As at the date of this announcement, the Board comprises fourteen Directors of which Mr. Wei Jiafu (Chairman), Mr. Liu Guoyuan (Vice-chairman), Mr. Li Jianhong, Mr. Jia Lianjun, Mr. Wang Xiaoming, Mr. Liang Yanfeng (Managing Director), Mr. Meng Qinghui, Mr. Chen Xuewen, Mr. Lin Libing, Mr. Wang Xiaodong and Mr. Lin Wenjin are executive Directors; and Mr. Chan Cheong Foon, Andrew, Mr. Kwong Che Keung, Gordon and Mr. Tsui Yiu Wa, Alec are independent non-executive Directors.*