

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules governing dealings by all directors in the securities of the Company. Having made specific enquiries of all directors of the Company, they all confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30th June 2007.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

The Company has not redeemed any of its listed shares during the six months ended 30th June 2007. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed shares during the six months ended 30th June 2007.

INVESTOR RELATIONS

COSCO Pacific strongly believes that good investor relations play an essential role in enhancing corporate values. Management of the Company strives to ensure better corporate transparency and corporate governance standards. The Company has been greatly inspired by the various awards granted during the period and will continue to improve its quality of investor relations and corporate governance standards.

Company Awards

- Awarded "Best Investor Relations 2006" by IR magazine;
- Ranked 1706 among "The Forbes Global 2000" published by Forbes, a financial magazine in the US, and on list for three consecutive years;
- Won "Best Corporate Governance Award 2007" from The Asset, a financial magazine;
- Won "Corporate Governance Asia Recognition Awards 2007" from Corporate Governance Asia magazine;
- Upon winning the award of "Directors of the Year Awards 2006" from Hong Kong Institute of Directors last year, the Company was invited to be the lead sponsor for "Directors of the Year Awards 2007" to promote the significance of good corporate governance and specialised duties of directors.

CORPORATE CULTURE

Team Building

As at 30th June 2007, COSCO Pacific had a team of 1,066 employees in China, Asia, America, Europe and Australia.

The Company's business expansion provides its staff with a good opportunity for continuous professional development. The Company encourages life-long learning and organises various training programmes to enhance the professional standards and management skills of executives as well as staff in general. The Company is committed to ongoing improvement of its remuneration and bonus regime on the basis of equality and fairness. The continuous granting of share options in recent years has been pivotal in enhancing staff passion for work, and the COSCO Pacific team is growing into a globalised contingent that pursues efficiency and excellence in concerted efforts.

Social Responsibilities

COSCO Pacific seeks to contribute to society by actively participating in community welfare and social services.

During the first half of 2007, the Company and COSCO-HIT Terminal welcomed visitors from about 20 companies, government departments and other organisations. In June, all the staff of COSCO Pacific in Hong Kong participated in "Lifeline Express Raffle Tickets" Charity Sales of 2007 and made donation to help poor cataract patients in rural areas of China to restore eyesight. The Company also continued its active involvement in "Project CLEAN AIR", led by the Hong Kong General Chamber of Commerce and the Hong Kong Business Coalition on the Environment. Besides, we sponsored activities of "Directors of the Year Awards 2007" organised by Hong Kong Institute of Directors as the Lead Sponsor.

COSCO Pacific is committed to carrying out our corporate social responsibilities so as to strive for the improvement in the society and the environment in which we are serving.

PROSPECTS

In the second half of this year, the Group is dedicated to increasing terminal profit contribution by strengthening and expanding terminal business. We will also further enhance the profitability of terminal business by increasing the terminal investment with controlling rights as well as diversifying terminal portfolio. Meanwhile, we will continue to expand our container leasing fleets, optimise the operating models of container leasing and management and strengthen marketing and cost control to expand the sources of profit.

It is expected that the economy and international trade of China will show strong growth impetus along the steady upward track of the global economy. The growth of the global GDP and the import and export trade will remain relatively high, which can further enhance the container trade volume. In view of this, the management of COSCO Pacific will seize opportunity of the robust economic development in China. By timely adjusting our existing businesses and capital structure, we will concentrate our resources on advantageous businesses and investments and make more effort to gear up the development of our core businesses to enhance corporate values. Meanwhile, we are dedicated to maintaining sustainable development and actively seeking business development to further expand the Company and consolidate our leading position in the industry, so as to further increase our profitability and hence, shareholders' returns.

MEMBERS OF THE BOARD

As at the date of this report, the Board comprises Dr. WEI Jiafu² (Chairman), Mr. CHEN Hongsheng¹, Mr. LI Jianhong¹, Mr. XU Lirong², Ms. SUN Yueying¹, Mr. XU Minjie¹ (Vice Chairman & Managing Director), Dr. SUN Jiakang², Mr. WONG Tin Yau, Kelvin¹, Mr. WANG Zhi¹, Mr. QIN Fuyan¹, Dr. LI Kwok Po, David³, Mr. LIU Lit Man³, Mr. CHOW Kwong Fai, Edward³ and Mr. Timothy George FRESHWATER³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director

By Order of the Board
COSCO Pacific Limited
XU Minjie
Vice Chairman & Managing Director

Hong Kong, 23rd August 2007