



COSCO Corporation (Singapore) Limited
(Company Registration No.: 196100159G)

INCORPORATION OF A JOINT VENTURE COMPANY, COSCO LIANYUNGANG SHIPYARD CO., LTD

The Board of Directors of Cosco Corporation (Singapore) Limited (the "Company") wishes to announce that its subsidiary, COSCO Shipyard (Group) Co., Ltd ["COSCO Shipyard (Group)"] has, on 29 December 2007, entered into an agreement with Jiangsu Lianyungang Port Co. Ltd ("Jiangsu Lianyungang") to form, and has formed, a joint venture company known as 'COSCO Lianyungang Shipyard Co., Ltd' ("COSCO Lianyungang").

COSCO Lianyungang has an registered capital of RMB\$180,000,000.00.

COSCO Shipyard (Group) and Jiangsu Lianyungang each have subscribed for 60% and 40% shares respectively in the capital of COSCO Lianyungang. With the subscription, COSCO Lianyungang is now a subsidiary company of COSCO Shipyard (Group).

The principal activities of COSCO Lianyungang are those of repairing and conversion of merchant vessels and offshore products. It is expected that given years of development, COSCO Lianyungang Shipyard will be another big shiprepairing base in East China.

On the following day, 30 December 2007, a large conversion project of LNG to Chip vessel from TMT Co. Ltd became effective to be carried out in COSCO Lianyungang Shipyard.

The abovementioned investment was funded by the Company from internal resources.

The abovementioned investment is not expected to have any material effect on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2008.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the abovementioned limited liability company.

FOR AND ON BEHALF OF THE BOARD

Ji Hai Sheng
Vice Chairman / President
3 December 2007