



中远投资(新加坡)有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

2Q06 Results: 3 months ended 30 June 2006

Expanding Order Book & Capacity

Turnover Up 26%; Net Profit Up 30%

| | 2Q 2006 | 2Q 2005 | Change | 1H 2006 | 1H 2005 | Change |
|----------------------------|----------------|---------|--------|----------------|---------|--------|
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Sales | 265,349 | 210,721 | 26 | 532,941 | 375,299 | 42 |
| Gross profit | 85,409 | 71,385 | 20 | 167,787 | 118,288 | 42 |
| Pre-tax profit | 74,141 | 57,454 | 29 | 132,418 | 94,175 | 41 |
| Net profit | 51,003 | 39,360 | 30 | 88,585 | 65,159 | 36 |
| Earnings per share (cents) | 2.30 | 1.80 | 28 | 4.01 | 2.98 | 35 |

Highlights:

- Group sales increased 26% to \$265.3m fueled by strong performances from its ship repair businesses.
- Ship repair sales expanded 30% to \$223.8 million driven by high value contracts and shipyard capacity upgrades.
- Gross profit grew 20% to \$85.4 million on higher sales and margin expansion.
- Net profit attributable to equity holders rose 30% to \$51.0 million.
- Zhoushan shipyard remains on track for expansion and contributions.
- Group is confident that FY 2006 performance will be better than FY 2005.

SINGAPORE (31 July 2006) – 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 another set of good results in 2Q 2006 on strong contributions from its ship repair & marine engineering business.

Group sales rose 26% from \$210.7 million in 2Q 2005 to \$265.3m in 2Q 2006 fueled by strong performances of its ship repair businesses. Ship repair sales increased 30% from \$171.7 million in 2Q 2005 to \$223.8 million in 2Q 2006 driven by increase in the number of high value contracts secured and completed during the quarter, as well as the Group’s shipyard capacity upgrades. Bulk shipping sales increased 8% from \$34.2 million in 2Q 2005 to \$36.8 million in 2Q 2006 due to contributions from two additional ships which joined the fleet in February and March 2006. Although freight charter renewal rate was lower in Q2 2006 compared to Q1 2006, it was higher than the average level in Q2 2005.

Gross profit rose 20% from \$71.4 million in 2Q 2005 to \$85.4 million in 2Q 2006 on higher sales and margin expansion. Exceptional gain comprised S\$6.029 million from the sale of MV Cos Angel, one of four ships slated for disposal.

Overall Group net profit attributable to equity holders rose 30% from \$39.4 million in 2Q 2005 to \$51.0 million in 2Q 2006.

Mr. Ji Hai Sheng, Vice Chairman & President of COSCO Corporation said, “The high yield ship repair, conversion and offshore marine engineering projects secured in the first six months of FY 2006 have already far exceeded those secured in the whole of FY 2005, underscoring the Group capabilities in the highly specialized offshore business. These projects secured in H1 2006 are still works-in-progress and some of them are expected to be completed in 3Q 2006.”

“The new facilities and capacity coming on-stream will allow the Group to further penetrate into the niche markets of high value offshore marine engineering work.

These higher yield contracts will further strengthen the Group's order book and returns," added Mr. Ji.

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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