



CHINA SHIPPING DEVELOPMENT COMPANY LIMITED

中海發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1138)

CHANGE OF AUDITORS

The Board announces that following the EGM on 29 February 2008, it was resolved that the Company's domestic auditor and international auditor have been changed to Vocation International Certified Public Accountant Co., Ltd. and Tianzhi (H.K.) C.P.A. with effect from the same date.

Reference is made to China Shipping Development Company Limited's (the "Company") announcement (the "Announcement") dated 13 December 2007 and the announcement of the voting results of the extraordinary general meeting (the "EGM") of the Company dated 29 February 2008 (the "Results Announcement") in relation to, amongst other things, the change of domestic and international auditors of the Company.

The board (the "Board") of directors of the Company announces that following the EGM on 29 February 2008, it was resolved that the Company's domestic auditor and international auditor have been changed to Vocation International Certified Public Accountant Co., Ltd. and Tianzhi (H.K.) C.P.A. (天職(香港)會計師事務所) with effect from the same date.

Pursuant to the requirements of "Notice regarding Undertaking Central Enterprise Financial Auditing by Sampling in 2007" (關於開展2007年度中央企業財務抽查審計工作的通知) (the "Notice") (Guo Zi Ting Fa Ping Jia [2007] No.84) issued by the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC"), China Shipping (Group) Company ("China Shipping") belongs to enterprises which are subject to group financial auditing by sampling for 2007 of SASAC. Pursuant to the requirements of the Notice, the Company as a listed company controlled by China Shipping is also subject to such financial auditing.

China Shipping received the “Notification regarding Financial Auditing by Sampling for 2007” (hereinafter referred to as the “Notification”) (Ping Jia Han [2007] No.273) from SASAC. The Notification explicitly provides that pursuant to the spirit of the Guo Zi Ting Fa Ping Jia [2007] No.84 document, mandated by SASAC, Three Gorges International Tendering Company Limited (三峽國際招標有限責任公司) has decided upon evaluation that Vocation International Certified Public Accountant Co., Ltd. to be responsible for the group financial auditing by sampling of China Shipping for 2007 and requires that China Shipping urges the Company to timely complete the relevant procedures and legal formalities for changing the accountant in accordance with the relevant requirements. As such, the Company proceeded with the change of its accountants.

Ernst & Young, the outgoing international auditors, has provided the Company with a confirmation that, save for the reasons above, there are no matters that need to be brought to the attention of the shareholders of the Company in relation to the change of the Company’s international auditors.

By Order of the Board of Directors
China Shipping Development Company Limited
Yao Qiaohong
Company Secretary

Shanghai, the People’s Republic of China
10 March 2008

As at the date of this announcement, the board of directors of the Company is comprised of Mr. Li Shaode, Mr. Ma Zehua, Mr. Lin Jianqing, Mr. Wang Daxiong, Mr. Zhang Guofa, Mr. Mao Shijia and Mr. Wang Kunhe as executive directors, Mr. Ma Xun, Mr. Xie Rong, Mr. Hu Honggao, Mr. Zhu Yongguang and Mr. Zhou Zhanqun as independent non-executive directors.