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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)

POSITIVE PROFIT ALERT

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board is pleased to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2014, the Group expects its net profit attributable to the equity holders of the Company for the three months ended 31 March 2014 to be in the range between RMB50 million (equivalent to approximately HK\$62.45 million) to RMB60 million (equivalent to approximately HK\$74.93 million), representing a sharp increase as compared to a net loss of approximately RMB484 million (equivalent to approximately HK\$604.47 million) attributable to the equity holders of the Company for the same three months period ended 31 March 2013.

The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group for the three months ended 31 March 2014 currently available to the Company, which have not been reviewed or confirmed by the Company's audit committee, and have not been reviewed or audited by the Company's auditors.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the first quarterly results announcement of the Company for the three months ended 31 March 2014 which is expected to be announced in April 2014.

This announcement is made pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of China Shipping Development Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2014, the Group expects its net profit attributable to the equity holders of the Company for the three months ended 31 March 2014 to be in the range between RMB50 million (equivalent to approximately HK\$62.45 million) to RMB60 million (equivalent to approximately HK\$74.93 million), representing a sharp increase as compared to a net loss of approximately RMB484 million (equivalent to approximately HK\$604.47 million) attributable to the equity holders of the Company for the same three months period ended 31 March 2013.

The remarkable performance of the Group was mainly attributable to the following reasons: (1) the increase in freight rates in both the international oil and bulk cargo transportation market since the beginning of 2014 resulting in an increase in the Group’s operating revenue; (2) efforts made by the Group to further strengthening its control over costs, resulting in notable achievement particularly over fuel cost, repair expenses and labor cost; and (3) significant increase in investment income due to the improvement in the operation of the joint ventures of the Company.

The information in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the three months ended 31 March 2014 currently available to the Company and which have not been reviewed or confirmed by the Company’s audit committee, and have not been reviewed or audited by the Company’s auditors. Further details of the Group’s performance will be disclosed in the Group’s first quarterly results for the three months ended 31 March 2014 to be published by the Group.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the first quarterly results announcement of the Company for the three months ended 30 March 2014 which is expected to be announced in April 2014.

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules. The Company's A Shares are listed on the Shanghai Stock Exchange, and it has been requested by the Shanghai Stock Exchange to make an announcement similar to this announcement.

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

Shanghai, the People's Republic of China

3 April 2014

The exchange rate adopted in this announcement for illustration purpose only is RMB1.00 = HK\$1.2489. Such conversion should not be construed as a representation that the currency could actually be converted into HK\$ at that rate or at all.

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Xu Lirong, Mr. Zhang Guofa, Ms. Su Min, Mr. Huang Xiaowen, Mr. Ding Nong, Mr. Han Jun and Mr. Qiu Guoxuan as executive Directors, Mr. Zhang Jun, Mr. Wang Wusheng, Mr. Lin Junlai and Mr. Ruan Yongping as independent non-executive Directors.