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中 海 集 裝 箱 運 輸 股 份 有 限 公 司

China Shipping Container Lines Company Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

CONNECTED TRANSACTION CAPITAL INJECTION AGREEMENT

The Board is pleased to announce that on 19 November 2009, the Company entered into the Capital Injection Agreement with CS Logistics (Overseas), pursuant to which the Company and CS Logistics (Overseas) have agreed to inject further capital in the amounts of RMB41,250,000 (equivalent to approximately HK\$45,833,333) and RMB13,750,000 (equivalent to approximately HK\$15,277,778), respectively, by way of cash contribution into CS Yangshan. The aforesaid capital contributions are to be made by the Company and CS Logistics (Overseas) in proportion to their existing equity interests in CS Yangshan.

CS Logistics (Overseas) is a wholly-owned subsidiary of China Shipping, the controlling shareholder of the Company, and therefore is a connected person of the Company. As CS Logistics (Overseas) currently holds a 25% equity interest in CS Yangshan, a non-wholly owned subsidiary of the Company, under Rule 14A.11(5) of the Listing Rules, CS Yangshan also constitutes a connected person of the Company. As such, the Company's capital contribution to CS Yangshan under the Capital Injection Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the relevant applicable percentage ratios set out in the Listing Rules for the Company's capital contribution to CS Yangshan under the Capital Injection Agreement is less than 2.5% but more than 0.1%, the Company's capital contribution to CS Yangshan under the Capital Injection Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempted from the independent shareholders' approval requirement.

CAPITAL INJECTION AGREEMENT

Date: 19 November 2009

Parties: (a) the Company; and
(b) CS Logistics (Overseas).

Capital Injection: The Company and CS Logistics (Overseas) have agreed to inject further capital in the amounts of RMB41,250,000 (equivalent to approximately HK\$45,833,333) and RMB13,750,000 (equivalent to approximately HK\$15,277,778), respectively, by way of cash contribution into CS Yangshan, in proportion to their existing equity interests in CS Yangshan. The total capital contribution in the amount of RMB55,000,000 (equivalent to approximately HK\$61,111,111) under the Capital Injection Agreement was determined based on (a) a written proposal on adjustment of project budget prepared by an independent and duly qualified PRC construction cost consulting company; and (b) the Board's estimation of other expenses, such as expenses in relation to land, government fees and administrative expenses.

As a result, the Company and CS Logistics (Overseas) shall continue to hold 75% and 25% of the enlarged equity interests in CS Yangshan, respectively.

Payment: Each of the Company and CS Logistics (Overseas) shall fulfill their payment obligations by way of cash contribution in one-lump sum within 15 days after execution of the Capital Injection Agreement.

REASON AND BENEFITS FOR ENTERING INTO THE CAPITAL INJECTION AGREEMENT

Further capital to be injected by the Company and CS Logistics (Overseas) into CS Yangshan is required for the following reasons:

- (a) additional investment for a construction project of CS Yangshan located in Shanghai, which was commenced in May 2008 and is expected to be completed by the end of 2009, is needed as a result of an expansion of the project scope and an increase in the construction materials and labour costs in the recent years. As at the date of this announcement, the capital input for this construction project is in the sum of RMB180,000,000 (equivalent to approximately HK\$200,000,000). The total estimated capital input in order to complete this construction project is expected to be in the sum of RMB235,000,000 (equivalent to approximately HK\$261,111,111); and
- (b) a further capital injection will help CS Yangshan to complete the construction project as soon as possible.

The Company intends to use its internal resources to satisfy its requisite capital contribution to CS Yangshan.

INFORMATION ON THE PARTIES TO THE CAPITAL INJECTION AGREEMENT

The Company

The Company is principally engaged in the operation and management of international and domestic container marine transportation.

CS Logistics (Overseas)

The CS Logistics (Overseas) is principally engaged in investment and logistics businesses.

INFORMATION ON CS YANGSHAN

CS Yangshan is principally engaged in pile-up, transfer, distribution, assembly and dismantlement of containers, precooling of frozen containers, remodification, repair, renewing and cleaning of containers, relevant services for loading and unloading of goods, ordinary process and package and consultation, the leasing of container and warehouse.

Based on the audited financial statements of CS Yangshan, which were prepared in accordance with PRC GAAP, its net profits (loss) for the two financial years ended 31 December 2007 and 31 December 2008, respectively, were as follows:

	For the year ended 31 December 2007	For the year ended 31 December 2008
Profits (loss) before taxation and extraordinary items of CS Yangshan attributable to the Company's 75% equity interest in CS Yangshan	N/A (See Note below)	(RMB3,458,529) (equivalent to approximately HK\$3,842,810)
Profits (loss) after taxation and extraordinary items of CS Yangshan attributable to the Company's 75% equity interest in CS Yangshan	N/A (See Note below)	(RMB3,458,529) (equivalent to approximately HK\$3,842,810)

Note:

CS Yangshan has not yet commenced any operation.

The audited net asset value of CS Yangshan, based on PRC GAAP, as at 31 December 2008 was RMB59,388,628 (equivalent to approximately HK\$65,987,364).

IMPLICATIONS UNDER THE LISTING RULES

CS Logistics (Overseas) is a wholly-owned subsidiary of China Shipping, the controlling shareholder of the Company, and therefore is a connected person of the Company. As CS Logistics (Overseas) currently holds a 25% equity interest in CS Yangshan, a non-wholly owned subsidiary of the Company, under Rule 14A.11(5) of the Listing Rules, CS Yangshan also constitutes a connected person of the Company. As such, the Company's capital contribution to CS Yangshan under the Capital Injection Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the relevant applicable percentage ratios set out in the Listing Rules for the Company's capital contribution to CS Yangshan under the Capital Injection Agreement is less than 2.5% but more than 0.1%, the Company's capital contribution to CS Yangshan under the Capital Injection Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempted from the independent shareholders' approval requirement.

The Board (including the independent non-executive directors) believes that further capital contributions by the Company and CS Logistics (Overseas) in proportion to their existing equity interests in CS Yangshan under the Capital Injection Agreement are fair and reasonable, on normal commercial terms, in the interests of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of directors of the Company
“Capital Injection Agreement”	the capital injection agreement entered into between the Company and CS Logistics (Overseas) on 19 November 2009
“China Shipping”	China Shipping (Group) Company (中國海運(集團)總公司), a PRC state-owned enterprise, which is the controlling shareholder of the Company, having an approximately 47.03% equity interest
“Company”	China Shipping Container Lines Company Limited (中海集裝箱運輸股份有限公司), a joint stock limited company established in the PRC, of which 3,751,000,000 H shares are listed on the Stock Exchange and 7,932,125,000 A shares are listed on the Shanghai Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“CS Logistics (Overseas)”	China Shipping Logistics (Overseas) Co., Ltd. (中海物流(海外)有限公司), a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of China Shipping
“CS Yangshan”	Shanghai China Shipping YangShan International Container Land-Warehousing Co., Ltd. (上海中海洋山國際集裝箱儲運有限公司), a sino-foreign joint venture incorporated in the PRC and owned as to 75% by the Company and 25% by CS Logistics (Overseas)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratios”	has the meaning ascribed to such term under the Listing Rules
“PRC”	the People’s Republic of China
“PRC GAAP”	the Generally Accepted Accounting Principles of the PRC

“RMB” Renminbi, the lawful currency of the PRC

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By order of the Board of
China Shipping Container Lines Company Limited
Ye Yumang
Company Secretary

Shanghai, the People’s Republic of China
19 November 2009

The Board as at the date of this announcement comprises of Mr. Li Shaode, Mr. Zhang Guofa, Mr. Huang Xiaowen and Mr. Zhao Hongzhou, being executive Directors, Mr. Ma Zehua, Mr. Zhang Jianhua, Mr. Lin Jianqing, Mr. Wang Daxiong, Mr. Yan Zhichong and Mr. Xu Hui, being non-executive Directors, and Mr. Hu Hanxiang, Mr Jim Poon (also known as Pan Zhanyuan), Mr. Wang Zongxi, Mr. Shen Kangchen and Mr. Shen Zhongying, being independent non-executive Directors.

The exchange rate adopted in this announcement for illustration purposes only is HK\$1.00=RMB0.9.

* *The Company is registered as a non-Hong Kong company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and under the English name “China Shipping Container Lines Company Limited”.*