



COSCO CORPORATION (SINGAPORE) LIMITED
(Company Registration No.: 196100159G)

**INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF SUBSIDIARY COMPANY,
COSCO (SINGAPORE) PTE LTD**

The Board of Directors of Cosco Corporation (Singapore) Limited (the "Company") wishes to announce that the Company has on 16 December 2010 increased its investment in its wholly-owned subsidiary, Cosco (Singapore) Pte Ltd, by way of subscribing for another 82,664,105 ordinary shares in its share capital through capitalising the balance of the loans as at 30 April 2010 totalling to S\$82,664,105.00 which were given to Cosco (Singapore) Pte Ltd.

The issued and paid-up capital of Cosco (Singapore) Pte Ltd will be increased from S\$5,000,000.00 to S\$87,664,105.00 through the aforesaid capitalization exercise.

The abovementioned transaction is not expected to have any material effect on the net earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2010.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect on the abovementioned transaction.

By Order of the Board
Jiang Li Jun
Vice Chairman/President
16 December 2010