



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

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## **ARTICLES IN THE STRAITS TIMES AND BLOOMBERG**

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The Board of directors of COSCO Corporation (Singapore) Limited (the "Company") refers to the articles which appeared in The Straits Times on 30 June 2012 entitled "Dark clouds over China shipbuilder Cosco Corp" and in Bloomberg on 27 June 2012 entitled "Cosco Singapore is Lowest-Rated Asia Stock on Rig Push".

The Straits Times article mentions that the Company faces possible customer defaults and order cancellations from Europe. The article in Bloomberg states that one of the Company's customers, a company within the Sevan Drilling ASA group, has rescheduled payment terms for an oil rig under construction.

The Company recognises that business conditions have remained difficult and this is reflected in the significant drop in the Baltic Dry Index, amongst other things. As such, the Company's order book may be subjected to revision from the cancellation and rescheduling of orders. Indeed, from time to time, the Company receives requests from its customers for the rescheduling of payment or the cancellation of contracts. In such situations, the Company will work with the customers concerned to reach a mutually acceptable position, where possible. Upon agreement with the customers concerned in relation to such cancellation or rescheduling, appropriate announcements will be made by the Company.

With respect to the Bloomberg article, the Company believes that the customer referred to is Sevan Drilling Rig VI Pte Ltd with which the Company's subsidiary, COSCO (Qidong) Offshore Co., Ltd, has entered into a contract for the building of Sevan Driller Rig No. 4 which was announced by the Company on 30 May 2011. The Company wishes to clarify that, to date, there has been no revision in payment terms for this contract. The Company can confirm that both parties to that contract are in full compliance with their obligations as agreed.

The Company continues to work closely with its customers under the current difficult business conditions. Whilst there have not been any further cancellations or rescheduling other than those that have been previously announced, in the event that there should be any further agreement with any customer for the cancellation or rescheduling of contracts, the Company will make the appropriate announcements.

By Order of the Board  
Wu Zi Heng  
Vice Chairman and President  
5 July 2012