

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

Announcement on Positive Profit Warning

The Company and all members of the board of directors of the Company ensure the truthfulness, accuracy and completeness of this announcement and jointly and severally accepts full responsibility for any factitious record, misleading statements or material omissions contained herein.

1. Projected results for 2007
 1. Results prediction period: 1 January 2007 to 31 December 2007;
 2. Results prediction position: It is predicted that the net profit of the Company for the full year of 2007 will increase by more than 50% over 2006;
 3. The results prediction has not been audited by an accounting firm.
2. Results for 2006
 1. Net profit of the Company for 2006: RMB2,760,792,868.50;
 2. Earnings per share: RMB0.830.

3. Major reasons for the growth of results:

The 42 dry bulk cargo ships purchased by the Company and its subsidiaries from the Company's controlling shareholder, China Shipping (Group) Company, and its subsidiaries in late 2006 have been delivered and put into operation in early 2007, increasing the capacity of the dry bulk cargo fleet by 1.4 million dwt.

4. Details of the financial information will be disclosed in the 2007 annual report of the Company

This announcement is made in compliance with the simultaneous dissemination of information requirement under Rule 13.09(2) 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 of Directors
China Shipping Development Company Limited
Yao Qiaohong
Company Secretary

22 October 2007

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 and Mr. Zhou Zhanqun as independent non-executive directors.