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)

Overseas Regulatory Announcement

On 25 July 2011, China Shipping Development Company Limited (hereinafter referred to as the "Company") received from China Securities Regulatory Commission (the "CSRC") the Approval on the Public Offering of Convertible Bonds by China Shipping Development Company Limited (《關於核准中海發展股份有限公司公開發行可轉換公司債券的批復》) (Zheng Jian Xu Ke[2011] No. 1152) which approved the public offering of an aggregate nominal value of RMB3.95 billion of convertible bonds by the Company for a term of 6 years. The approval shall remain effective for 6 months from the date of approval.

The board of directors of the Company (the "Board") and its authorized persons shall handle the matters in relation to the issuance of A share convertible bonds in accordance with the requirements of the CSRC's approval and authorization by our shareholder's general meeting.

In addition, the Board duly passed, among other things, the following resolutions on 26 July 2011 pursuant to the provisions of the Company Law of the People's Republic of China (the "PRC") and the constitution of the Company:

I. **Resolution on the opening of special accounts for proceeds from the issue of convertible bonds and signing of tripartite agreement on supervision of proceeds raised**

To ensure the successful issuance of RMB3.95 billion of convertible bonds, pursuant to the Administrative Provision on Listed Companies' Raised Capital (《上市公司募集資金管理規定》) issued by Shanghai Stock Exchange and the Management Policy of China Shipping Development Company Limited on Storage and Usage of Proceeds (《中海發展股份有限公司募集資金專項存儲及使用管理制度》), the Board approved the Company to open two special accounts in

Shanghai North Bund Sub-branch of Bank of Communications and Shanghai Branch of China Development Bank respectively to which the proceeds raised will be deposited after completion of the Company's issuance of RMB3.95 billion of convertible bonds.

The Board also approved the Company to sign the Tripartite Agreement on Supervision of Proceeds of China Shipping Development Company Limited from the Issuance of A Share Convertible Bonds in 2011 (《中海發展股份有限公司2011年發行A股可轉換公司債券募集資金專戶存儲三方監管協定》) with the above two banks and its sponsor China International Capital Corporation Limited after the completion of the issuance, and to make an announcement thereafter in compliance with the provisions of the Shanghai Stock Exchange.

II. **Resolution on the costs related to the issuance of RMB3.95 billion of convertible bonds**

The Board approved the overall budget of this issuance of RMB3.95 billion of convertible bonds to be RMB37.70 million, representing 0.95% of the total expected proceeds.

With respect to other resolutions duly passed by the Company on 26 July 2011, please refer to another overseas regulatory announcement issued by the Company on the same day in connection with the resolutions passed at the 11th meeting of the Board of 2011.

This announcement is made in compliance with the requirement under Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. The A shares of the Company are listed on Shanghai Stock Exchange and Shanghai Stock Exchange has required the Company to make an announcement similar to this announcement.

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

Shanghai, the PRC

26 July 2011

As at the date of this announcement, the board of directors of the Company comprises Mr. Li Shaode, Mr. Ma Zehua, Mr. Lin Jianqing, Mr. Wang Daxiong, Mr. Zhang Guofa, Mr. Yan Zhichong and Mr. Qiu Guoxuan as executive directors, Mr. Zhu Yongguang, Mr. Gu Gongyun, Mr. Zhang Jun and Mr. Lu Wenbin as independent non-executive directors