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(Incorporated in Hong Kong with limited liability)

(Stock Code : 00560)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of Chu Kong Shipping Development Company Limited (the “Company”) dated 31st August 2010 in relation to the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June 2010 (the “Previous Announcement”).

The board of directors of the Company (the “Board”) would like to clarify the clerical errors contained in (i) note 11 to the unaudited condensed consolidated results and (ii) the paragraph relating to the container transportation volume and the oil cost under the section headed “Management Discussion and Analysis” in page 23 of the Previous Announcement and that such note and paragraph should be deleted and replaced by the following:

(i) Note 11 to the unaudited condensed consolidated results

11. Capital commitments

	As at 30th June 2010 HK\$’000	As at 31st December 2009 HK\$’000
Contracted but not provided for in respect of:		
- Land use rights	46,379	53,151
- Property, plant and equipment	25,343	69,888
- Investments (note)	<u>123,510</u>	92,277
Authorised but not contracted for in respect of:		
- Property, plant and equipment	10,545	7,234
	<u><u>205,777</u></u>	<u><u>222,550</u></u>

The Group's share of capital commitments of the jointly controlled entities themselves not included in the above is as follows:

	As at 30th June 2010 HK\$'000	As at 31st December 2009 HK\$'000
Contracted but not provided for	16,021	23,726
Authorised but not contracted for	3,782	1,953
	19,803	25,679

Note:

The capital commitments for the investments contracted but not provided for as at 30th June 2010 represented the commitment to purchase of additional 20.54% equity interest in a subsidiary, Zhaoqing New Port Co., Ltd., from its non-controlling shareholder at HK\$30,376,000 (2009:nil) and the committed investment in a jointly controlled entity, Guangzhou Nansha Chu Kong Terminal Company Limited, amounting to HK\$93,134,000 (2009:HK\$92,277,000) for 65% equity interest.

(ii) The paragraph relating to the container transportation volume and the oil cost under the section headed “Management Discussion and Analysis” in page 23

During the period, with the continuous growth in the global economy and newly injected passenger transportation business, the overall cargo throughput and profit of the Group recorded an increase, of which container and break bulk cargoes transportation volume recorded an increase of 23.1% and 29.1% respectively, and container and break bulk cargoes handling volume recorded an increase of 6.6% and 34.0% respectively. Due to higher international oil prices and an increase of oil consumption, the oil cost increased by more than HK\$15,930,000 or 70.9% over the same period last year, lowering the gross operating profit margin of the Group for the period. The expenses for acquisition of passenger transportation business at HK\$4,990,000 also led to a rise in the other expenses. The subsidiaries engaging in freight-related business contributed 15.7% more profit to the Group comparing with the same period last year. Excluding the one-off expenses arising from the acquisition of passenger transportation business and the loss incurred by the new terminals last year (including Zhaoqing New Port Co., Ltd., Zhaoqing Chu Kong Logistics (Sihui) Co., Ltd. and Zhaoqing Chu Kong Cargo Terminals (Dawang) Co., Ltd.), such subsidiaries contributed 114.8% more profit to the Group. During the period, the profit from the Group's investment in jointly controlled entities involved in freight-related business recorded a decrease of 12.0% compared with the same period of last year. But generally, they continued to contribute profit to the Group. Due to a much higher depreciation charge of fixed assets, the profit of Guangzhou-Foshan Expressway decreased sharply and also led to a decrease of contribute profit to the Group. Consequently, the passenger transportation business segment (including subsidiaries and investment business) contributed profit of HK\$35,591,000 to the Group.

Save as disclosed above, all other contents of the Previous Announcement remain unaffected and unchanged.

By Order of the Board
Yang Bangming
Managing Director

Hong Kong, 3rd September 2010

As at the date of this announcement, the Company's executive directors include Mr. Hua Honglin, Mr. Yang Bangming, Mr. Zhang Daowu and Mr. Huang Shuping; and independent non-executive directors include Mr. Chan Kay-cheung, Ms. Yau Lai Man and Mr. Chow Bing Sing.