CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

2002 SEMI-ANNUAL REPORT （Summary）

(Incorporated in People's Republic of China)

Ended June 30, 2002

Important Notices: Board of Directors of CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD. and its members individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are no material omissions nor errors which would render any statement misleading.

The Summary of semi-annual report is abstracted from the full text; Its purpose is to provide the public with brief introduction of the Company in the first half year 2002. In the meantime, the full text of this report is published on the Internet website http://www.cninfo.com.cn. Investors are suggested to carefully read the full text of semi-annual report.

The semi-annual financial report of the Company has not been audited.

I. COMPANY PROFILE

(I) Company Profile

1. Stock Exchange Listed with: Shenzhen Stock Exchange

Short Form of the Stock: A-share CIMC Stock Code: 000039
Short Form of the Stock: B-share CIMC-B Stock Code: 200039

2. Office Address:

5/F, Financial Center of Shenkou Industrial Zone, Shenzhen, Guangdong
Post Code: 518067
Company's Internet Web Site: http://www.cimc.com.

3. Secretary of the Board of Directors:

Mr. Wu Fapei
Liaison Address:
5/F, Financial Center of Shenkou Industrial Zone, Shenzhen, Guangdong
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(II) Financial Data and indexes

Unit: RMB'000

Items	Jan.-Jun. 2002	Jan.-Jun.2001 (revised)
Revenue	3,298,692	4,115,317
Gross Profit	513,521	894,202
Profit from operations	342,899	406,242
Profit before tax	322,300	405,336
Profit after tax	289,286	352,062
Net profit for the year	246,858	309,474
Earnings per share	0.484	0.910

* Note: The semi-annual results are in accordance with International Accounting Standard(IAS).

Net profit and net assets for the six months ended June 30,2002 as calculated based on IAS and PRC Accounting Standard respectively:

Unit: RMB'000

	Net assets June 30, 2002	Operating results Jan. – Jun. 2002
As determined pursuant to IAS	2,842,618	246,858
Adjustments to align with PRC Accounting Rules:		
--Borrowing cost	(37,883)	---
--Difference in long-term equity investment	33,364	1,316
--Deferred income tax assets	(15,561)	---
--Dividend distributed after date of balance sheet	(170,107)	---
--Minority shareholders' gains and losses	(8,318)	---
--Others	(372)	---
Net increase (decrease) after adjustment	(198,877)	1,316
As restated under PRC Accounting Rules*	2,643,741	248,174

* The semi-annual results have been audited.

II. CHANGES IN SHARE CAPITAL AND PARTICULARS ABOUT SHAREHOLDERS

(I) Changes in share capital

Unit: share

	Before the change	Increase/decrease of dividend this time (+, -)	After the change	Proportion (%)
I. Unlisted Shares				
1. Sponsor's shares	151,575,422	75,787,711	227,363,133	44.55
Including:				
Shares held by domestic juristic person	68,208,940	34,104,470	102,313,410	20.05
Share held by foreign juristic person	83,366,482	41,683,241	125,049,723	24.50
2. Employees' shares (Notes)	230,888	115,444	346,332	0.07
Total Unlisted shares	151,806,310	75,903,155	227,709,465	44.62
II. Listed Shares				
1. RMB ordinary shares	45,991,287	22,995,643	68,986,930	13.52
2.Domestically listed foreign shares	142,403,801	71,201,900	213,605,701	41.86
Total Listed shares	188,395,088	94,197,543	282,592,631	55.38
III. Total shares	340,201,398	170,100,698	510,302,096	100

(II) Total shareholders at the end of the report period

Ended Jun. 30, 2002, the Company had 50,031 shareholders in total, including 32,334 shareholders of A-shares and 18,518 shareholders of B-share.

(III) Particulars Shareholders holding 5% or above and top ten shareholders

Shareholders' name	Amount at the period-end (share)	Type of share	Increase/decrease in the report period	Proportion
1. CHINA OCEAN SHIPPING (GROUP) CO., LTD.	102,313,410	A	34,104,470	20.05%
2. CHINA MERCHANTS CONTAINER INDUSTRY CO., LTD	102,313,410	B	34,104,470	20.05%
3. FAIR OAKS DEVELOPMENT LIMITED	37,065,000	B	12,355,000	7.26%
4. PROFIT CROWN ASSETS LIMITED	22,736,313	B	7,578,771	4.46%
5. LONG HONOUR INVESTMENTS LIMITED	5,994,817	B	1,998,272	1.17%
6. CITRINE CAPITAL LIMITED	4,297,757	B	1,295,102	0.84%
7. YANG ZHUSHI	3,947,890	B	1,529,890	0.77%
8. HSBC BROKING SECURITIES(ASIA)LIMITED-CLIENTS A/C	3,391,659	B	1,819,586	0.66%
9. YUYANG SECURITIES INVESTMENT FUND	3,260,312	A	1,525,643	0.64%
10. TOYO SECURITIES (ASIA)LIMITED-CLIENTS A/C	2,744,311	B	1,885,610	0.54%

Note 1: *The first shareholder, the second and the fourth shareholder are legal person shareholders of the Company, and the shares held by the said shareholders were not circulated.*

Note 2: *Among the above the top ten shareholders, there exist the associated relationship between the first shareholder and the fifth shareholder: Long Honour Investment Limited is the wholly-owned subsidiary company of China Ocean Shipping (Group) Co., Ltd.; there exist the associated relationship between the second shareholder and the third shareholder: China Merchants Container Industry Co., Ltd. and Fair Oaks Development Limited are the wholly-owned subsidiary companies of China Merchant International Co., Ltd..*

Note 3: *The shares held by legal person holding over 5% (including 5%) of total shares of the Company have never been pledged or frozen.*

(IV) Significant changes in the principal shareholder

On May 31, 2002, as approved in 2001 Shareholders' General Meeting, the principal shareholder of the Company, China Ocean Shipping (Group) CO., Ltd. can assign the equity of the Company to China Ocean Shipping Engineering Group Co., Ltd. by means of assets transferring. The equity assignment is still subject to the approval of relevant state authorities. Ended June 30, 2002, the assignment was in the process of submission to authorities of government for approval.

III. DIRECTOR, SUPERVISOR AND SENIOR EXECUTIVE AND STAFF

(I) Changes in Shares of the Company held by Directors, Supervisors and Senior Executives

Name	Position	Shares in the year-begin	Shares in the year-end	Increase/decrease	Reasons
Mai Boliang	Director, President	78,078	117,117	39,039	Share distribution
Du Feng	Director	72,872	109,308	36,436	Share distribution
Li Ruiting	Deputy president	52,052	78,078	26,026	Share distribution
Gu Hongren	Deputy president	27,885	41,827	13,942	Share distribution

(II) Changes in Directors, Supervisors and Senior Executives

1. On May 31,2002, in 2001 Shareholders' General Meeting of the Company, it was approved that Mr. Wu Sanqiang resigned the post of director of the Company and Mr. Wang Zhixian and Mr. Liu Jie were elected as the directors of the Company.
2. On May 29, 2002, the Company held Staff Meeting, approved Mr. Xiong Bo and Ms. Zheng Weiquan to resign the post of Supervisor of the Company and elected Mr. Feng Wanguang as the supervisor representing staff of the Company.
3. On May 31, 2002, in 2001 Shareholders' General Meeting of the Company, it was approved that Mr. Zhou Xiedong resigned from the post of Supervisor of the Company and Mr. Du Yongcheng and Ms. Shilei as Supervisor representing shareholders of the Company. On August 22, Mr. Du Yongcheng was elected as the chairman of Supervisory Committee in the 2nd Meeting of Supervisory Committee.

IV.MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATION

(I) Discussion and Analysis on Financial Report and Significant Events

In the first half of 2002, the Company realized sales revenue of RMB 3,298.692 million, down 19.84% over the same period of 2001; generated net profit of RMB 246.858 million, down 20.23% over the same period of 2001.

Global economy suffered a slump in 2001 and US lacked the ability to boost economic recovery in the wake of September 11th event, as a result, the demand for containers worldwide decreased by great margin over the same period of previous year and the price continued falling. However the Group further improved its market share in business of the container and maintained its leading position in the section through consistently pursuing the principle of “optimizing connotation, controlling risks, upgrading while making consolidation and making innovation and breakthrough”, through persistently optimizing the product-mix and business flow, and through studiously exploiting market during the report period.

Under the negative macro environment, standard dry cargo containers, major product of the Company, suffered dropping in production and sales as well as price compared with the previous year. So despite the business of reefer containers developed with larger market share due to improved quality of products and wide reorganization from clients, sales revenue of the Group reduced by 19.84% over the same period of previous year. In the first half of 2002, the Group realized containers sales of 257,666TEU, a decrease of 9.36% over the same period of previous year.

Average price of containers in the first half of 2002 decreased by over 20% compared with the same period of previous year due to the demand decline; meanwhile, production cost of containers increased because raw materials especially steel and timber saw substantial rise in price compared with the end of 2001 by 20% to 30%. As a result, gross profit rate of the container products in the first half of 2002 decreased by great margin. Despite the profits from refrigerator containers rose moderately, net profit as of the report period decreased by 19.59% over the same period of previous years resulting from a range of negative causes including sales and price falling of dry cargo containers as well as price rising of raw materials.

Total assets of the Company as at June 30, 2002 amounted to RMB 7,147.909 million, down 7% over the same period of last year. In the first half of 2002, the Company reinforced its management on inventory and accounts receivable, thus reduced products in stock and speeded up the collection of receivable accounts. As a result, circulating capital was lessened and total assets lowered. Major financial indexes of the Company as of the first half of 2002 were further improved, not only the assets liability rate but also the assets circulation rate were maintained in a good manner.

Noticeably, assets liability rate as of the report period was lowered to 54.66%, down 6% over the same period of previous year.

In the report period, the Company held a positive status in terms of assets structure and secured its leading position in the industry. The reduction in profit was mainly resulting from the worldwide economic slump.

(II) Breakdown of Major Financial Data

1. Changes in income and profit from main business lines, net profit as well as net increase of cash and cash equivalents

Unit: RMB'000

Items	Jan. to Jun. 2002	Jan. to Jun. 2001	Changes (%)
Revenue	3,298,692	4,115,317	－19.84
Gross Profit	513,521	894,202	－42.57
Net profit	246,858	309,474	－20.23
Net increase of cash and cash equivalents	-1,741	39,684	－104.39

Notes:

(1) Revenue decreased by 19.84% over the same period of previous year, mainly due to reduction in both price and sales of dry cargo containers.

(2) Gross Profit decreased respectively by 42.57%, mainly due to reduction in both price and sales of containers as well as price rising of main raw materials. Net profit decreased respectively by 20.23%, mainly due to reduction in gross margin rate of containers and administrative expenses decreased by 89.14% over the same period of previous year. The reason of reduction of administrative expenses is the subsidiary company of the Group prepared provision for devaluation of inventory. Due to the reason, which effected the devaluation of inventory, has not existed, the volume of provision for devaluation of inventory has been wrote-back during the half year of 2002.

(3) Net increase of cash and cash equivalents decreased by 104.39% over the same period of previous year, mainly due to substantial decrease of profit rate of containers.

2. Changes in total assets and shareholders' equity

Unit: RMB'000

Items	Jan. to Jun. 2002	Jan. to Jun. 2001	Changes (%)
Total assets	7,147,909	6,108,082	+17.02
Shareholders' equity	2,672,590	2,597,305	+2.90

Notes: (1) Total assets increased by 17.02% over the same period of previous year, mainly because the current assets increased by RMB 1,135.543 million, including RMB 895.048 million additions in accounts receivable, RMB 248.325 million additions in inventory.

(2) Shareholders' equity increased by **2.90**% over the same period of previous year mainly because firstly, the Company distributed bonus shares in the profit distribution for 2001 resulting in RMB 170,100,699 additions in the share capital, and secondly, net profit as at the period-end increased by RMB 246.858 million.

(III) Operation in the Report Period

1. Main business scope and introduction to operation

(1) Main business scope

The Company and its subsidiaries (hereinafter referred to as "the Group") are mainly engaged in manufacturing and marketing modern communication and transport equipments, including the design, manufacture, sale and maintenance of standard dry cargo containers, refrigerator containers, special containers, airport facilities and other communication and transport equipments. In addition, it involves the business of timber and infrastructure and real estate. The Company is the first listed company in China's container manufacturing industry whereas the Group is the largest standard dry cargo container manufacturer and the largest refrigerator container manufacturer in today's world. Its container products constituted more than 10% of the income and profit from main business lines.

(2) Introduction to operation

In the first half of 2002, though the world economy started to recover, it still in the process of adjustment with obvious fluctuation. Affected by the periodic changes in the section, the overall demand for marine containers worldwide dropped by large margin over the same period of previous year. Correspondingly, average price of dry cargo containers hit the recorded lowest in recent years with over 20% decrease over the same period of previous year. Meanwhile, production cost rose along with the substantial increase in price of raw materials, steel and timber in particular. As a result, gross profit rate of dry cargo container suffered significant reduction in the report period and the Group saw decline in both operation revenue and net profit over the same period of last year. Despite all these difficulties, the Group further enhanced its market share of the business of containers and secured the domain position in the industry, through the ongoing pursuit of the principle of "optimizing connotation, controlling risks, upgrading while making consolidation and making innovation and breakthrough". Ended June 30, 2002, the Group realized income of RMB 3,298.692 million from main business lines, down 19.84% over the same period of 2001; and generated net profit of RMB 246.858 million, down 20.23% over the same period of 2001.

2. Composition of main businesses

Income from and cost of main business lines in product segments and geographic segments:

Unit: RMB'000

	Income from main business lines	Proportion (%)	Cost of main business lines	Proportion (%)
In product segments:				
Containers	2,966,283	89.92	2,535,260	91.03
Electrical & Mechanical equipments	30,531	0.93	21,587	0.77
Real estate	129,278	3.92	118,286	4.25
Timber	97,247	2.95	110,038	3.95
Others	75,353	2.28	-	-
Total	3,298,692	100.00	2,785,171	100.00
In geographic segments:	Income from main business lines	Proportion (%)	Cost of main business lines	Proportion (%)
Shenzhen	437,445	14.75	421,481	16.62
Xinhui	292,183	9.85	271,517	10.71
Nantong	409,263	13.80	339,066	13.37
Dalian	161,219	5.44	146,954	5.80
Shanghai	782,569	26.38	607,666	23.97
Tianjin	291,147	9.81	265,684	10.48
Qingdao	592,457	19.97	482,892	19.05
Total	2,966,283	100.00	2,535,260	100.00

(1) Standard dry cargo container

Price of standard dry cargo containers decreased in the first half of 2002 over the same period of previous year. In the report period, the Company accumulatively manufactured and sold 217,367TEU and 213,852TEU standard dry cargo containers, respectively a decrease of 10.58% and 12.52% over the same period of previously. Accordingly, sales revenue also fell compared with the same period of previous year due to reduction in both sales and price.

(2) Reefer container

Good results were achieved in the business of reefer containers in the report period: accumulative output and sales of reefer containers reached 25,652TEU and 28,576TEU, respectively an increase of 35.34% and 56.75%. Market share of the Company in the business of reefer containers experienced an ongoing growth, ranking the first in the world. With the section of international reefer containers enjoyed a stable development in this year, the Company had gained sufficient orders including an unprecedented largest order last year.

(3) Special container

In the first half of 2002, the Company manufactured and sold 11,723TEU and 14,055TEU special containers (excluding container chassis), both down over the same period of previous year; manufactured and sold 69,800 and 62,800 units pallet container, up 61% and 85% respectively. Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd. has launched production of the new product, ISO/IMO1 tan container, for over 140 sets orders accumulatively.

3. Market share of the main products

As calculated based on the comprehensive industrial data of the Company, containers manufactured by the Group made up 40% of the total in the international container market in the first half of 2002.

4. Operation of other businesses

In the business of container trailer, a new type of modern transportation equipment, the Company held a new product release conference in Shenzhen in April 2002, formally launching series of new products of this kind to the domestic market. In the first half of 2002, the Company sold 115 sets with positive market feedback. As for the overseas markets, external investment in US for container trailer production project was under the process of application and the market exploitation in Australia was also undergoing.

In the business of electrical and mechanical equipments, Shenzhen CIMC Tianda Airport Support Co., Ltd., a wholly owned subsidiary of the Company, continued its vigorous efforts in marketing for airport facilities and realized relevant sales revenue of RMB 22.968 million in the first half of 2002, down 40.02% over the same period of previous year. Shanghai CIMC Generating Set Co., Ltd., of which the Company held 73% equity, realized sales revenue of RMB 7.563 million, down 7.20% over the same period of previous year.

In the business of infrastructure and real estate, Twinbridge Development Co., Ltd. of which the Company held 40% equity, realized operation income of RMB 89.383 million from the project of Shanghai Yixian Road Viaduct, down 2.36% over the same period of previous year.

Construction of Shanghai Bai Yulan Garden Project, of which the Company held 60% equity, made smooth progress in the report period with the first phase completed and the second phase sold well in advance, bringing out RMB 65.980 million revenue from advance sales. Ended June 30, 2002, RMB 77.957 million was generated accumulatively from the advance sales of the first and the second phases of Bai Yulan Garden. Moreover, Nanjing CIMC Real Estate Development Co., Ltd., of which the Company held 100% equity, realized sales revenue of RMB 39.717 million in the first half of 2002; Shenzhen CIMC Investment Development Co., Ltd. realized sales revenue of RMB 11.604 million from Tianhai Garden Mansion.

The Group realized sales revenue of RMB 97.247 million from the business of timber in the report period.

(IV) Investment in the report period

The Company conduced no investment funded with proceeds raised from share offering in the report period.

(V) Comparison between the Actual Operating Results and the Targets set at the Period-begin

The Company had included continually assuring and improving the market share of containers and making concrete progress in marketing trailers in its business plans and operating targets. In the report period, such plans and targets were fulfilled.

(VI) Production and Operation Plans for the Second Half Year

The world economy has jumped the stagnancy despite many uncertainties remained; and China's WTO entrance continually brought about positive effects. Therefore, it's estimated that China's export will persist the growth and the international aviation expects an ongoing stable increase, which makes the stable development in the demanding for containers possible. Under such circumstance, the Company will keep on reinforcing the cost control and further exercise the advantages in terms of technology and customer services, so to maintain its market share of principal businesses.

1. To complete the uniform certification of ISO9000: 2000 of the Group for better management foundation;
2. To actively comfort with the demand in the container market, adopt flexible production system, promote the precise manufacture, improve the inventory control, reinforce the prediction on materials price, and perfect the purchase management, so to strengthen the competitive edge of the group;
3. To further assure the leading position in the dry cargo container market, make vigorous efforts to develop the business of refrigerator container for higher market share, continually carry on the development and marketing for special containers as well as the production of tan containers;
4. To further develop the business of trailers, do a good job on organization of production and marketing home and abroad, reinforce the R & D and expedite the construction of production base of trailers.

The Company proposed the future-orientated comprehensive management objective of "aspiring for a international enterprise who provides clients with top quality modern transportation equipments and relevant services strictly in conformity with their requirements; who creates notable and reliable brand; and who return shareholders and employees positively in healthy development and ongoing increment.” Under such guidance, the Group further clarified its strategic development at mainly three levels: ① The first level: Present core business is still container business, for which the key tasks is to expedite the technological innovation and to reinforce the optimization of connotation as well as to increase market share availing the advantages of low cost in China and the core competitive edge of the Group. ② The second level: New business to be developed recently is preliminarily set as the business of trailers. ③ The third level: New business to be developed five years later is the business not only with strong potential in the section of modern transportation equipments and services, but also complying with the Company’s strategic orientation and suitable to integrate businesses of the whole section. The Group is committed to the development at such three levels gradually based on its present core business. On one hand, the Company will further cement and reinforce its advantages in respect of core business and optimize the product mix of containers. On the other hand, the Company will invest certain resources to exploit the business at the second level in hope of laying foundation for a more comprehensive, stronger and ongoing development for the Group.

V. SIGNIFICANT EVENTS

(Ⅰ) Implementation of Profit Distribution in the Report Period

As examined and approved in the Company’s Shareholders’ General Meeting 2001, profit distribution plan for 2001 was: based on the Company’s total share capital of 340,201,398 shares as at Dec. 31, 2002, profit was distributed to all shareholders at the rate of RMB 5.00 cash plus 5 bonus shares for every 10 shares (tax included). For individual shareholder of A-share, actual cash dividend after tax was RMB 3.00 per 10 shares; while for shareholder of legal person share and shareholder of B-share, actual cash dividend after tax remained RMB 5.00. Equity record date for A-share (and the last transaction date for B-share) was June 12, 2002, ex-right and ex-dividend date was June 13, 2002. Such profit distribution plan was successfully implemented in the report period.

(Ⅱ) The Company was not involved in any significant litigation or arbitration in the report period.

(Ⅲ) Assets Sales in the Report Period

June 30, 2002, associated undertakings of the Company, Twinbridge Development Corp., signed Equity Transfer Agreement with Shanghai Yixian Road & Bridge Investment Co., Ltd. to assign 100% equity of Shanghai Yixian Road & Bridge Development Co., Ltd.. The equity assignment is still subject to the approval of relevant state authorities.

Main content of the Agreement: (1) Transaction Amount: RMB 2.216 million (2)

Method of Payment: ① Party A (the acquirer) pays Party B (the Assigner) RMB 2.216 million in total for acquiring the total equity of the Cooperative Company and for replacing Party B as the copartner of the Cooperative Company. The transaction amount comprises two parts: one part is RMB 1,956 million as assignment price including RMB 26 million tax payable to the P.R.C. government owned by Party B (the assigner) arising from the assignment income. Party A pays the said tax to relevant government authorities on behalf of Party B; the other part is RMB 170 million paid by Party A (the acquirer) to the Cooperative Company to repay the principal of the loan borrowed by the Cooperative Company from Baoshan division, Shanghai Branch, Agricultural Bank of China. ② After deducting the above-mentioned tax, Party A (the acquirer) should pay RMB 1,930 million to Party B (the assigner) in three installments within 180 days from June 30, 2002.
After this equity assignment, the Company is entitled to 40% of profit generated by the Cooperative Company. It is estimated that the Company may realize US$ 11 million income from this transaction in 2002.
For details of this equity assignment, please refer to the relevant Public Notice in Securities Times and Ta Kung Pao dated July 11, 2002.

(Ⅳ) The Company had no significant related transaction in the report period.

(Ⅴ) Significant Material Contract and the Implementation

1. In the report period, the Company continued its direct contracted operation in Tianjing CIMC North Ocean Container Co., Ltd. and Shanghai CIMC Far East Container Co., Ltd.; extended its indirect contracted operation in Nantong CIMC-Smooth Sail Container Co., Ltd., Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd., Dalian CIMC Container Manufacture Co., Ltd. and Qiangdao CIMC Container Manufacture Co., Ltd. through CIMC Holdins (B.V.I.) Ltd. as well as indirect contracted operation in Xinhui CIMC Container Co., Ltd. and Qingdao CIMC Reefer Manufacture Co., Ltd. through China International Marine Containers (HK) Ltd..

2. On September 22, 1999, the Company signed with China Railway Ministry Container Transport Center an agreement attached to the Contract on Container Purchase and Sales dated August 15, 1996. It signed with Beijing Branch of the Bank of Communications a loan guarantee contract, offering guarantee for the three-year loan of RMB 200 million Sino Railway Container transport center borrowed from Beijing Gongzhufen Branch of the Bank of Communications, undertaking the joint liability for repayment of the loan. (Note: China Railway Ministry Container

Transport Center borrowed RMB 200 million in order to return their debts to the Company)
By June 30, 2002, China Railway Ministry Container transport center had returned RMB 50 million, cutting the guarantee responsibility of the company to RMB 150 million.

3. The Company did not entrust others with cash assets entrustment or loan financing in the report period.

(VII) Implementation of Public Commitment made by the Company or its Shareholders with over 5% of the total shares

The Company has implemented its commitment of profit distribution for 2001 in the report period. (For details, please refer to relevant Public Notice in Securities Times and Ta Kung Pao dated June 5, 2002)

VI. FINANCIAL REPORT(Un-audited)

China International Marine Containers (Group) Co., Ltd.

Consolidated balance sheet as at 30 June 2002

	2002.6.30	*2001.12.31*
	RMB'000	RMB'000
Assets		
Property, plant and equipment	1,434,586	1,653,756
Construction in progress	145,954	97,594
Timber concession rights	244,627	270,373
Intangible assets	184,187	50,907
Interests in associates	773,018	776,337
Investments in equity securities	302,419	302,777
Long-term receivables	124,818	153,581
Deferred tax assets	15,566	15,566
Total non-current assets	**3,225,175**	**3,320,891**
Investments in equity securities	57,375	30,917
Properties under development	134,334	105,250
Completed properties for sale	78,421	138,542
Inventories	966,229	717,904
Trade and other receivables	2,298,248	1,403,200
Cash and cash equivalents	388,127	391,378
Total current assets	**3,922,734**	**2,787,191**
Total assets	**7,147,909**	**6,108,082**
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China International Marine Containers (Group) Co., Ltd.

Consolidated balance sheet as at 30 June 2002(continued)

Equity	*2002.6.30*	*2001.12.31*
Share capital	510,302	340,201
Reserves	2,162,288	2,257,104
Total equity	**2,672,590**	**2,597,305**
	-------------	-------------
Minority interests	**567,966**	**565,229**
	-------------	-------------
Liabilities		
Non-current liabilities		
Interest-bearing bank loans	**117,255**	**1,038,450**
	--------------	--------------
Interest-bearing bank loans	780,619	438,487
Trade and other payables	2,669,834	1,152,255
Provision	314,965	296,482
Taxation	24,680	19,874
Total current liabilities	**3,790,098**	**1,907,098**
	--------------	--------------
Total liabilities	**3,907,353**	**2,945,548**
	--------------	--------------
Total equity, minority interests		
and liabilities	**7,147,909**	**6,108,082**
	========	========

China International Marine Containers (Group) Co., Ltd.

Consolidated income statement for the year ended 30 June 2002

	2002.1-6	*2001.1-6*
	RMB'000	RMB'000
Revenue	3,298,692	4,115,317
Cost of sales	-2,785,171	-3,221,115
Gross profit	**513,521**	**894,202**
Other operating income	19,494	12,699
Distribution expenses	-146,903	-236,303
Administrative expenses	-28,328	-260,790
Other operating expenses	-14,885	-3,566
Profit from operations	**342,899**	**406,242**
Net financing costs	-35,171	-66,236
Income from associates	14,572	65,330
Profit before tax	**322,300**	**405,336**
Income tax expense	-33,014	-53,274
Profit after tax	**289,286**	**352,062**
Minority interests	-42,429	-42,588
Net profit for the year	**246,857**	**309,474**
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China International Marine Containers (Group) Co., Ltd.

Consolidated cash flow statement for the year ended 31 December 2001

	2002.1-6
	RMB'000
Net cash inflow/(outflow) from operating activities	**46,604**

Investing activities	
Proceeds of sales of partial interest in a subsidiary and equity securities	1,658
Proceeds from sales of property, plant and equipments, intangible assets and other long-term assets	1,385
other proceeds from investment	844
Payment for property, plant and equipments, intangible assets and other long-term assets	-115,096
Payment for acquisition of equity securities and interest in subsidiaries	-37,183
Cash outflow from investing activities	**-148,392**

Financing activities	
Capital injection from minority shareholders	39,729
Proceeds from bank loans	2,108,467
Repayment of bank loans	-1,837,900
Dividends and interest paid	-210,249
Cash (outflow)/inflow from financing activities	**100,047**

Net increase in cash and cash equivalents	**-1,741**
Effect of foreign exchange rates	**-1,350**
Cash and cash equivalents at 1 January	**391,218**
Cash and cash equivalents at 30-June	**388,127**
	========

VII. DOCUMENTS FOR INSPECTION

1. 2002 Semi-annual Report with the signature of the Chairman of the Board;
2. Financial Statements with signatures and seals of the legal representative, person in charge of accounting affairs and manager of accounting organism;
3. Auditors' Report with the seal of Certified Public Accounts as well as signatures and seals individual CPAs.
4. Originals of all documents publicly disclosed in newspapers designated by CSRC in the report period;
5. Articles of Association of the Company.

Board of Directors of
China International Marine Containers (Group) Co., Ltd.
April 27, 2002

CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

2002 SEMI-ANNUAL REPORT

(Incorporated in People's Republic of China)

Ended June 30, 2002

Important Notices: Board of Directors of CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD. and its members individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are no material omissions nor errors, which would render any statement misleading.

The semi-annual financial report of the Company has not been audited.

Definition

1. ***TEU****: Twenty-foot equivalent unit。Conversion container also called Standard container, that means taking twenty-foot as the measure of container for conversion.*
2. ***Semi-trailer****: Trailer that is trailed by semi-trailer and part of the weight is born by the trailer.*

I. COMPANY PROFILE

(I) Company Profile

1. Legal name of the Company

In Chinese: **中国国际海运集装箱（集团）股份有限公司**

In English: China International Marine Containers (Group) Co., Ltd.

Short Form of English Name: CIMC

2. Stock Exchange Listed with: Shenzhen Stock Exchange

Short Form of the Stock: A-share CIMC Stock Code: 000039

Short Form of the Stock: B-share CIMC-B Stock Code: 200039

3. Registered Address:

5/F, Financial Center of Shenkou Industrial Zone, Shenzhen, Guangdong

Office Address:

5/F, Financial Center of Shenkou Industrial Zone, Shenzhen, Guangdong

Post Code: 518067

Company's Internet Web Site: http://www.cimc.com

4. Legal Representative:

Mr. Li Jianhong

5. Secretary of the Board of Directors:

Mr. Wu Fapei

Liaison Address:

5/F, Financial Center of Shenkou Industrial Zone, Shenzhen, Guangdong

Tel: (86) 755-26691130

Fax: (86) 755-26826579
E-mail: shareholder@cimc.com

6. Newspapers Chosen for Disclosing Information of the Company:

Securities Times and Ta Kung Pao
Internet Web Site Designated by CSRC for Publishing the Semi-annual Report: http://www.cninfo.com.cn
The Place Where the Annual Report is Prepared and Placed:
Financial Affairs Dept. of the Company

7. Other relevant information

Registration Date after change: Dec.1, 2000;
Registration Place after change:
Shenzhen Industry and Commerce Administration Bureau
Registration Number of Enterprise Juristic Person's Business License:
Shenzhen Listed Enterprise No.101157
Registration Number of Taxation:
National taxation No: 440301618869509
Local taxation No: 440305618869509
Name and Address of Certified Public Accountants Engaged by the Company:
Domestic: Shenzhen Pan-China Schinda Certified Public Accountants
Office Address: 16/F, Securities Building, 5020 Binhe Road, Shenzhen, P.R. China
Overseas: KPMG Hong Kong Certified Public Accounts
Office Address:8/F. Prince Bldg., Center of Hong Kong

(II) Financial Data and indexes

Unit: RMB'000

Items	Jan.-Jun. 2002	Jan.-Jun.2001 (revised)
Revenue	3,298,692	4,115,317
Gross Profit	513,521	894,202
Profit from operations	342,899	406,242
Profit before tax	322,300	405,336
Profit after tax	289,286	352,062
Net profit for the year	246,858	309,474
Earnings per share	0.484	0.910

* Note: The semi-annual results are in accordance with International Accounting Standard(IAS).

Net profit and net assets for the six months ended June 30,2002 as calculated based on IAS and PRC Accounting Standard respectively:

Unit: RMB'000

	Net assets	Operating results
	June 30, 2002	Jan. – Jun. 2002

As determined pursuant to IAS	2,842,618	246,858
Adjustments to align with PRC Accounting Rules:		
--Borrowing cost	(37,883)	---
--Difference in long-term equity investment	33,364	1,316
--Deferred income tax assets	(15,561)	---
--Dividend distributed after date of balance sheet	(170,107)	---
--Minority shareholders' gains and losses	(8,318)	---
--Others	(372)	---
Net increase (decrease) after adjustment	(198,877)	1,316
As restated under PRC Accounting Rules*	2,643,741	248,174

* The semi-annual results have been audited.

II. CHANGES IN SHARE CAPITAL AND PARTICULARS ABOUT SHAREHOLDERS

(I) Changes in share capital

Unit: share

	Before the change	Increase/decrease of dividend this time (+, -)	After the change	Proportion (%)
I. Unlisted Shares				
1. Sponsor's shares	151,575,422	75,787,711	227,363,133	44.55
Including:				
Shares held by domestic juristic person	68,208,940	34,104,470	102,313,410	20.05
Share held by foreign juristic person	83,366,482	41,683,241	125,049,723	24.50
2. Employees' shares (Notes)	230,888	115,444	346,332	0.07
Total Unlisted shares	151,806,310	75,903,155	227,709,465	44.62
II. Listed Shares				
1. RMB ordinary shares	45,991,287	22,995,643	68,986,930	13.52
2.Domestically listed foreign shares	142,403,801	71,201,900	213,605,701	41.86
Total Listed shares	188,395,088	94,197,543	282,592,631	55.38
III. Total shares	340,201,398	170,100,698	510,302,096	100

(II) Total shareholders at the end of the report period

Ended Jun. 30, 2002, the Company had 50,031 shareholders in total, including 32,334 shareholders of A-shares and 18,518 shareholders of B-share.

(III) Particulars Shareholders holding 5% or above and top ten shareholders

Shareholders' name	Amount at the period-end (share)	Type of share	Increase/decrease in the report period	Proportion
1. CHINA OCEAN SHIPPING (GROUP) CO., LTD.	102,313,410	A	34,104,470	20.05%
2. CHINA MERCHANTS CONTAINER INDUSTRY CO., LTD	102,313,410	B	34,104,470	20.05%
3. FAIR OAKS DEVELOPMENT LIMITED	37,065,000	B	12,355,000	7.26%
4. PROFIT CROWN ASSETS LIMITED	22,736,313	B	7,578,771	4.46%
5. LONG HONOUR INVESTMENTS LIMITED	5,994,817	B	1,998,272	1.17%
6. CITRINE CAPITAL LIMITED	4,297,757	B	1,295,102	0.84%
7. YANG ZHUSHI	3,947,890	B	1,529,890	0.77%
8. HSBC BROKING SECURITIES(ASIA)LIMITED-CLIENTS A/C	3,391,659	B	1,819,586	0.66%
9. YUYANG SECURITIES INVESTMENT FUND	3,260,312	A	1,525,643	0.64%
10. TOYO SECURITIES (ASIA)LIMITED-CLIENTS A/C	2,744,311	B	1,885,610	0.54%

Note 1: *The first shareholder, the second and the fourth shareholder are legal person shareholders of the Company, and the shares held by the said shareholders were not circulated.*

Note 2: *Among the above the top ten shareholders, there exist the associated relationship between the first shareholder and the fifth shareholder: Long Honour Investment Limited is the wholly-owned subsidiary company of China Ocean Shipping (Group) Co., Ltd.; there exist the associated relationship between the second shareholder and the third shareholder: China Merchants Container Industry Co., Ltd. and Fair Oaks Development Limited are the wholly-owned subsidiary companies of China Merchant International Co., Ltd..*

Note 3: *The shares held by legal person holding over 5% (including 5%) of total shares of the Company have never been pledged or frozen.*

(IV) Significant changes in the principal shareholder

On May 31, 2002, as approved in 2001 Shareholders' General Meeting, the principal shareholder of the Company, China Ocean Shipping (Group) CO., Ltd. can assign the equity of the Company to China Ocean Shipping Engineering Group Co., Ltd. by means of assets transferring. The equity assignment is still subject to the approval of relevant state authorities. Ended June 30, 2002, the assignment was in the process of submission to authorities of government for approval.

III. DIRECTOR, SUPERVISOR AND SENIOR EXECUTIVE AND STAFF

(I) Changes in Shares of the Company held by Directors, Supervisors and Senior Executives

Name	Position	Shares in the year-begin	Shares in the year-end	Increase/decrease	Reasons
Mai Boliang	Director, President	78,078	117,117	39,039	Share distribution
Du Feng	Director	72,872	109,308	36,436	Share distribution
Li Ruiting	Deputy president	52,052	78,078	26,026	Share distribution
Gu Hongren	Deputy president	27,885	41,827	13,942	Share distribution

(II) Changes in Directors, Supervisors and Senior Executives

1. On May 31,2002, in 2001 Shareholders' General Meeting of the Company, it was approved that Mr. Wu Sanqiang resigned the post of director of the Company and Mr. Wang Zhixian and Mr. Liu Jie were elected as the directors of the Company.
2. On May 29, 2002, the Company held Staff Meeting, approved Mr. Xiong Bo and Ms. Zheng Weiquan to resign the post of Supervisor of the Company and elected Mr. Feng Wanguang as the supervisor representing staff of the Company.
3. On May 31, 2002, in 2001 Shareholders' General Meeting of the Company, it was approved that Mr. Zhou Xiedong resigned from the post of Supervisor of the Company and Mr. Du Yongcheng and Ms. Shilei as Supervisor representing shareholders of the Company. On August 22, Mr. Du Yongcheng was elected as the chairman of Supervisory Committee in the 2^{nd} Meeting of Supervisory Committee.

IV.MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATION

(I) Discussion and Analysis on Financial Report and Significant Events

In the first half of 2002, the Company realized sales revenue of RMB 3,298.692 million, down 19.84% over the same period of 2001; generated net profit of RMB 246.858 million, down 20.23% over the same period of 2001.

Global economy suffered a slump in 2001 and US lacked the ability to boost economic recovery in the wake of September 11^{th} event, as a result, the demand for containers worldwide decreased by great margin over the same period of previous year and the price continued falling. However the Group further improved its market share in business of the container and maintained its leading position in the section through consistently pursuing the principle of "optimizing connotation, controlling risks, upgrading while making consolidation and making innovation and breakthrough", through persistently optimizing the product-mix and business flow, and through studiously exploiting market during the report period.

Under the negative macro environment, standard dry cargo containers, major product of the Company, suffered dropping in production and sales as well as price compared with the previous year. So despite the business of reefer containers developed with larger market share due to improved quality of products and wide reorganization from clients, sales revenue of the Group reduced by 19.84% over the same period of previous year. In the first half of 2002, the Group realized containers sales of 257,666TEU, a decrease of 9.36% over the same period of previous year.

Average price of containers in the first half of 2002 decreased by over 20% compared with the same period of previous year due to the demand decline; meanwhile, production cost of containers increased because raw materials especially steel and timber saw substantial rise in price compared with the end of 2001 by 20% to 30%. As a result, gross profit rate of the container products in the first half of 2002 decreased by great margin. Despite the profits from refrigerator containers rose moderately, net profit as of the report period decreased by 19.59% over the same period of previous years resulting from a range of negative causes including sales and price falling of dry cargo containers as well as price rising of raw materials.

Total assets of the Company as at June 30, 2002 amounted to RMB 7,147.909 million, down 7% over the same period of last year. In the first half of 2002, the Company reinforced its management on inventory and accounts receivable, thus reduced products in stock and speeded up the collection of receivable accounts. As a result, circulating capital was lessened and total assets lowered. Major financial indexes of the Company as of the first half of 2002 were further improved, not only the assets liability rate but also the assets circulation rate were maintained in a good manner. Noticeably, assets liability rate as of the report period was lowered to 54.66%, down 6% over the same period of previous year.

In the report period, the Company held a positive status in terms of assets structure and secured its leading position in the industry. The reduction in profit was mainly resulting from the worldwide economic slump.

(II) Breakdown of Major Financial Data

1. Changes in income and profit from main business lines, net profit as well as net increase of cash and cash equivalents

Unit: RMB’000

Items	Jan. to Jun. 2002	Jan. to Jun. 2001	Changes (%)
Revenue	3,298,692	4,115,317	－19.84
Gross Profit	513,521	894,202	－42.57
Net profit	246,858	309,474	－20.23
Net increase of cash and cash equivalents	-1,741	39,684	－104.39

Notes:

(4) Revenue decreased by 19.84% over the same period of previous year, mainly due to reduction in both price and sales of dry cargo containers.

(5) Gross Profit decreased respectively by 42.57%, mainly due to reduction in both price and sales of containers as well as price rising of main raw materials. Net profit decreased respectively by 20.23%, mainly due to reduction in gross margin rate of containers and administrative expenses decreased by 89.14% over the same period of previous year. The reason of reduction of administrative expenses is the subsidiary company of the Group prepared provision for devaluation of inventory. Due to the reason, which effected the devaluation of inventory, has not existed, the volume of provision for devaluation of inventory has been wrote-back during the half year of 2002.

(6) Net increase of cash and cash equivalents decreased by 104.39% over the same period of previous year, mainly due to substantial decrease of profit rate of containers.

2. Changes in total assets and shareholders' equity

Unit: RMB'000

Items	Jan. to Jun. 2002	Jan. to Jun. 2001	Changes (%)
Total assets	7,147,909	6,108,082	+17.02
Shareholders' equity	2,672,590	2,597,305	+2.90

Notes: (1) Total assets increased by 17.02% over the same period of previous year, mainly because the current assets increased by RMB 1,135.543 million, including RMB 895.048 million additions in accounts receivable, RMB 248.325 million additions in inventory.

(2) Shareholders' equity increased by **2.90**% over the same period of previous year mainly because firstly, the Company distributed bonus shares in the profit distribution for 2001 resulting in RMB 170,100,699 additions in the share capital, and secondly, net profit as at the period-end increased by RMB 246.858 million.

(III) Operation in the Report Period

1. Main business scope and introduction to operation

(1) Main business scope

The Company and its subsidiaries (hereinafter referred to as "the Group") are mainly engaged in manufacturing and marketing modern communication and transport equipments, including the design, manufacture, sale and maintenance of standard dry cargo containers, refrigerator containers, special containers, airport facilities and other communication and transport equipments. In addition, it involves the business of timber and infrastructure and real estate. The Company is the first listed company in

China's container manufacturing industry whereas the Group is the largest standard dry cargo container manufacturer and the largest refrigerator container manufacturer in today's world. Its container products constituted more than 10% of the income and profit from main business lines.

(2) Introduction to operation

In the first half of 2002, though the world economy started to recover, it still in the process of adjustment with obvious fluctuation. Affected by the periodic changes in the section, the overall demand for marine containers worldwide dropped by large margin over the same period of previous year. Correspondingly, average price of dry cargo containers hit the recorded lowest in recent years with over 20% decrease over the same period of previous year. Meanwhile, production cost rose along with the substantial increase in price of raw materials, steel and timber in particular. As a result, gross profit rate of dry cargo container suffered significant reduction in the report period and the Group saw decline in both operation revenue and net profit over the same period of last year. Despite all these difficulties, the Group further enhanced its market share of the business of containers and secured the domain position in the industry, through the ongoing pursuit of the principle of "optimizing connotation, controlling risks, upgrading while making consolidation and making innovation and breakthrough". Ended June 30, 2002, the Group realized income of RMB 3,298.692 million from main business lines, down 19.84% over the same period of 2001; and generated net profit of RMB 246,858 million, down 20.23% over the same period of 2001.

2. Composition of main businesses

Income from and cost of main business lines in product segments and geographic segments:

Unit: RMB'000

	Income from main business lines	Proportion (%)	Cost of main business lines	Proportion (%)
In product segments:				
Containers	2,966,283	89.92	2,535,260	91.03
Electrical & Mechanical equipments	30,531	0.93	21,587	0.77
Real estate	129,278	3.92	118,286	4.25
Timber	97,247	2.95	110,038	3.95
Others	75,353	2.28	-	-
Total	3,298,692	100.00	2,785,171	100.00
In geographic segments:	Income from main business lines	Proportion (%)	Cost of main business lines	Proportion (%)
Shenzhen	437,445	14.75	421,481	16.62

Xinhui	292,183	9.85	271,517	10.71
Nantong	409,263	13.80	339,066	13.37
Dalian	161,219	5.44	146,954	5.80
Shanghai	782,569	26.38	607,666	23.97
Tianjin	291,147	9.81	265,684	10.48
Qingdao	592,457	19.97	482,892	19.05
Total	2,966,283	100.00	2,535,260	100.00

(1) Standard dry cargo container

Price of standard dry cargo containers decreased in the first half of 2002 over the same period of previous year. In the report period, the Company accumulatively manufactured and sold 217,367TEU and 213,852TEU standard dry cargo containers, respectively a decrease of 10.58% and 12.52% over the same period of previously. Accordingly, sales revenue also fell compared with the same period of previous year due to reduction in both sales and price.

(2) Reefer container

Good results were achieved in the business of reefer containers in the report period: accumulative output and sales of reefer containers reached 25,652TEU and 28,576TEU, respectively an increase of 35.34% and 56.75%. Market share of the Company in the business of reefer containers experienced an ongoing growth, ranking the first in the world. With the section of international reefer containers enjoyed a stable development in this year, the Company had gained sufficient orders including an unprecedented largest order last year.

(3) Special container

In the first half of 2002, the Company manufactured and sold 11,723TEU and 14,055TEU special containers (excluding container chassis), both down over the same period of previous year; manufactured and sold 69,800 and 62,800 units pallet container, up 61% and 85% respectively. Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd. has launched production of the new product, ISO/IMO1 tan container, for over 140 sets orders accumulatively.

3. Market share of the main products

As calculated based on the comprehensive industrial data of the Company, containers manufactured by the Group made up 40% of the total in the international container market in the first half of 2002.

4. Operation of other businesses

In the business of container trailer, a new type of modern transportation equipment, the Company held a new product release conference in Shenzhen in April 2002, formally launching series of new products of this kind to the domestic market. In the first half of 2002, the Company sold 115 sets with positive market feedback. As for the overseas markets, external investment in US for container trailer production project was under the process of application and the market exploitation in Australia was also undergoing.

In the business of electrical and mechanical equipments, Shenzhen CIMC Tianda Airport Support Co., Ltd., a wholly owned subsidiary of the Company, continued its vigorous efforts in marketing for airport facilities and realized relevant sales revenue of RMB 22.968 million in the first half of 2002, down 40.02% over the same period of previous year. Shanghai CIMC Generating Set Co., Ltd., of which the Company held 73% equity, realized sales revenue of RMB 7.563 million, down 7.20% over the same period of previous year.

In the business of infrastructure and real estate, Twinbridge Development Co., Ltd. of which the Company held 40% equity, realized operation income of RMB 89.383 million from the project of Shanghai Yixian Road Viaduct, down 2.36% over the same period of previous year.

Construction of Shanghai Bai Yulan Garden Project, of which the Company held 60% equity, made smooth progress in the report period with the first phase completed and the second phase sold well in advance, bringing out RMB 65.980 million revenue from advance sales. Ended June 30, 2002, RMB 77.957 million was generated accumulatively from the advance sales of the first and the second phases of Bai Yulan Garden. Moreover, Nanjing CIMC Real Estate Development Co., Ltd., of which the Company held 100% equity, realized sales revenue of RMB 39.717 million in the first half of 2002; Shenzhen CIMC Investment Development Co., Ltd. realized sales revenue of RMB 11.604 million from Tianhai Garden Mansion.

The Group realized sales revenue of RMB 97.247 million from the business of timber in the report period.

(IV) Investment in the report period

1. Application of proceeds raised from share offering

The Company conduced no investment funded with proceeds raised from share offering in the report period.

2. Application of substantial non-raised proceeds

(1) April 15 and 16, 2002, subsidiaries of the Company, China International Marine Containers (HK) Co., Ltd. and Shenzhen CIMC Heavy Industries Co,. Ltd. (the two acquirers) respectively signed Equity Transfer Agreements with Habatec-Tectrans Beteiligungs-GmbH, Sinotrans Shandong Branch and Qingdao Ship Manufacturer (the three assigners) to acquire respectively 40%, 20% and 20% equity assets of Qingdao Universe Container Engineering Co., Ltd. (Universe Container). As stated in the Agreements, the equity transfer basic date was Dec. 31, 2001.

April 28, 2002, Universe Container adopted resolutions in its Board meeting to change its name under Qingdao CIMC Transportation Equipment Co., Ltd. and to expand the business scope to include manufacture, sales and maintenance of transportation vehicles and equipments like container tow trunks and trailers and related parts as well as special containers. On May 28, 2002, Qingdao Industrial and Commercial Administrative Bureau issued a changed Business License for corporate legal person to the company.

Ended June 30, 2002, China International Marine Containers (HK) Co., Ltd. and Shenzhen CIMC Heavy Industries Co,. Ltd. have not settled the payment with the assigners.

(2) April 24, 2002, the Company invested another US$ 4 million in Shenzhen CIMC Heavy Industries Co,. allowing its registered capital to reach US$ 5 million. The Company held 100% equity of Shenzhen CIMC Heavy Industries Co,. Ltd. through the Company's subsidiary.

(3) The Tan Container Project implemented by Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd., of which the Company held 57.4% equity, was designed to have a annual production ability of 1000 ISO/IMO tan containers. This project has been put into production in the first half of 2002 and received the first order for over 140 sets by the end of report period. No profit was generated by the project so far.

(4) Construction of Shanghai Bai Yulan Garden Project, of which the Company held 60% equity, made smooth progress in the report period with the first phase completed. The Company has invested accumulatively RMB 140 million in the first and second phases of the project by the end of report period.

(V) Comparison between the Actual Operating Results and the Targets set at the Period-begin

The Company had included continually assuring and improving the market share of containers and making concrete progress in marketing trailers in its business plans and operating targets. In the report period, such plans and targets were fulfilled.

(VI) Production and Operation Plans for the Second Half Year

The world economy has jumped the stagnancy despite many uncertainties remained; and China's WTO entrance continually brought about positive effects. Therefore, it's estimated that China's export will persist the growth and the international aviation expects an ongoing stable increase, which makes the stable development in the demanding for containers possible. Under such circumstance, the Company will keep on reinforcing the cost control and further exercise the advantages in terms of technology and customer services, so to maintain its market share of principal businesses.

5. To complete the uniform certification of ISO9000: 2000 of the Group for better management foundation;
6. To actively comfort with the demand in the container market, adopt flexible

production system, promote the precise manufacture, improve the inventory control, reinforce the prediction on materials price, and perfect the purchase management, so to strengthen the competitive edge of the group;

7. To further assure the leading position in the dry cargo container market, make vigorous efforts to develop the business of refrigerator container for higher market share, continually carry on the development and marketing for special containers as well as the production of tan containers;
8. To further develop the business of trailers, do a good job on organization of production and marketing home and abroad, reinforce the R & D and expedite the construction of production base of trailers.

The Company proposed the future-orientated comprehensive management objective of "aspiring for a international enterprise who provides clients with top quality modern transportation equipments and relevant services strictly in conformity with their requirements; who creates notable and reliable brand; and who return shareholders and employees positively in healthy development and ongoing increment." Under such guidance, the Group further clarified its strategic development at mainly three levels: ① The first level: Present core business is still container business, for which the key tasks is to expedite the technological innovation and to reinforce the optimization of connotation as well as to increase market share availing the advantages of low cost in China and the core competitive edge of the Group. ② The second level: New business to be developed recently is preliminarily set as the business of trailers. ③ The third level: New business to be developed five years later is the business not only with strong potential in the section of modern transportation equipments and services, but also complying with the Company's strategic orientation and suitable to integrate businesses of the whole section. The Group is committed to the development at such three levels gradually based on its present core business. On one hand, the Company will further cement and reinforce its advantages in respect of core business and optimize the product mix of containers. On the other hand, the Company will invest certain resources to exploit the business at the second level in hope of laying foundation for a more comprehensive, stronger and ongoing development for the Group.

V. SIGNIFICANT EVENTS

(I) Corporate Governance

In the 3rd Board meeting in the year 2002 dated June 27, 2002, the Proposal on Self-inspection on Establishment of Modern Corporate System in Listed Company was examined and approved. Presently, the Company owned a quite rational governance structure.

(II) Implementation of Profit Distribution in the Report Period

As examined and approved in the Company's Shareholders' General Meeting 2001, profit distribution plan for 2001 was: based on the Company's total share capital of

340,201,398 shares as at Dec. 31, 2002, profit was distributed to all shareholders at the rate of RMB 5.00 cash plus 5 bonus shares for every 10 shares (tax included). For individual shareholder of A-share, actual cash dividend after tax was RMB 3.00 per 10 shares; while for shareholder of legal person share and shareholder of B-share, actual cash dividend after tax remained RMB 5.00. Equity record date for A-share (and the last transaction date for B-share) was June 12, 2002, ex-right and ex-dividend date was June 13, 2002. Such profit distribution plan was successfully implemented in the report period.

(III) The Company was not involved in any significant litigation or arbitration in the report period.

(IV) Assets Sales in the Report Period

June 30, 2002, associated undertakings of the Company, Twinbridge Development Corp., signed Equity Transfer Agreement with Shanghai Yixian Road & Bridge Investment Co., Ltd. to assign 100% equity of Shanghai Yixian Road & Bridge Development Co., Ltd.. The equity assignment is still subject to the approval of relevant state authorities.

Main content of the Agreement: (1) Transaction Amount: RMB 2.216 million (2) Method of Payment: ① Party A (the acquirer) pays Party B (the Assigner) RMB 2,126 million in total for acquiring the total equity of the Cooperative Company and for replacing Party B as the copartner of the Cooperative Company. The transaction amount comprises two parts: one part is RMB 1,956 million as assignment price including RMB 26 million tax payable to the P.R.C. government owned by Party B (the assigner) arising from the assignment income. Party A pays the said tax to relevant government authorities on behalf of Party B; the other part is RMB 170 million paid by Party A (the acquirer) to the Cooperative Company to repay the principal of the loan borrowed by the Cooperative Company from Baoshan division, Shanghai Branch, Agricultural Bank of China. ② After deducting the above-mentioned tax, Party A (the acquirer) should pay RMB 1,930 million to Party B (the assigner) in three installments within 180 days from June 30, 2002.

After this equity assignment, the Company is entitled to 40% of profit generated by the Cooperative Company. It is estimated that the Company may realize US$ 11 million income from this transaction in 2002.

For details of this equity assignment, please refer to the relevant Public Notice in Securities Times and Ta Kung Pao dated July 11, 2002.

(V) The Company had no significant related transaction in the report period.

(VI) Significant Material Contract and the Implementation

1. In the report period, the Company continued its direct contracted operation in Tianjing CIMC North Ocean Container Co., Ltd. and Shanghai CIMC Far East Container Co., Ltd.; extended its indirect contracted operation in Nantong CIMC-Smooth Sail Container Co., Ltd., Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd., Dalian CIMC Container Manufacture Co., Ltd. and Qiangdao CIMC Container Manufacture Co., Ltd. through CIMC Holdins (B.V.I.) Ltd. as well as indirect contracted operation in Xinhui CIMC Container Co., Ltd. and Qingdao CIMC Reefer Manufacture Co., Ltd. through China International Marine Containers (HK) Ltd..

2. On September 22, 1999, the Company signed with China Railway Ministry Container Transport Center an agreement attached to the Contract on Container Purchase and Sales dated August 15, 1996. It signed with Beijing Branch of the Bank of Communications a loan guarantee contract, offering guarantee for the three-year loan of RMB 200 million Sino Railway Container transport center borrowed from Beijing Gongzhufen Branch of the Bank of Communications, undertaking the joint liability for repayment of the loan. (Note: China Railway Ministry Container Transport Center borrowed RMB 200 million in order to return their debts to the Company)
By June 30, 2002, China Railway Ministry Container transport center had returned RMB 50 million, cutting the guarantee responsibility of the company to RMB 150 million.

3. The Company did not entrust others with cash assets entrustment or loan financing in the report period.

(VII) Implementation of Public Commitment made by the Company or its Shareholders with over 5% of the total shares

The Company has implemented its commitment of profit distribution for 2001 in the report period. (For details, please refer to relevant Public Notice in Securities Times and Ta Kung Pao dated June 5, 2002)

VI. FINANCIAL REPORT (Un-audited)

China International Marine Containers (Group) Co., Ltd.

Consolidated balance sheet as at 30 June 2002

	2002.6.30	*2001.12.31*
	RMB'000	RMB'000
Assets		
Property, plant and equipment	1,434,586	1,653,756
Construction in progress	145,954	97,594
Timber concession rights	244,627	270,373
Intangible assets	184,187	50,907
Interests in associates	773,018	776,337
Investments in equity securities	302,419	302,777
Long-term receivables	124,818	153,581
Deferred tax assets	15,566	15,566
Total non-current assets	**3,225,175**	**3,320,891**
Investments in equity securities	57,375	30,917
Properties under development	134,334	105,250
Completed properties for sale	78,421	138,542
Inventories	966,229	717,904
Trade and other receivables	2,298,248	1,403,200
Cash and cash equivalents	388,127	391,378
Total current assets	**3,922,734**	**2,787,191**
Total assets	**7,147,909**	**6,108,082**
	========	========

China International Marine Containers (Group) Co., Ltd.

Consolidated balance sheet as at 30 June 2002(continued)

	2002.6.30	*2001.12.31*
Equity		
Share capital	510,302	340,201
Reserves	2,162,288	2,257,104
Total equity	**2,672,590**	**2,597,305**
	-------------	-------------
Minority interests	**567,966**	**565,229**
	-------------	-------------
Liabilities		
Non-current liabilities		
Interest-bearing bank loans	**117,255**	**1,038,450**
	-------------	-------------
Interest-bearing bank loans	780,619	438,487
Trade and other payables	2,669,834	1,152,255
Provision	314,965	296,482
Taxation	24,680	19,874
Total current liabilities	**3,790,098**	**1,907,098**
	-------------	-------------
Total liabilities	**3,907,353**	**2,945,548**
	-------------	-------------
Total equity, minority interests		
and liabilities	**7,147,909**	**6,108,082**
	========	========

China International Marine Containers (Group) Co., Ltd.

Consolidated income statement for the year ended 30 June 2002

	2002.1-6	*2001.1-6*
	RMB'000	RMB'000
Revenue	3,298,692	4,115,317
Cost of sales	-2,785,171	-3,221,115
Gross profit	**513,521**	**894,202**
Other operating income	19,494	12,699
Distribution expenses	-146,903	-236,303
Administrative expenses	-28,328	-260,790
Other operating expenses	-14,885	-3,566
Profit from operations	**342,899**	**406,242**
Net financing costs	-35,171	-66,236
Income from associates	14,572	65,330
Profit before tax	**322,300**	**405,336**
Income tax expense	-33,014	-53,274
Profit after tax	**289,286**	**352,062**
Minority interests	-42,429	-42,588
Net profit for the year	**246,857**	**309,474**
	========	========

China International Marine Containers (Group) Co., Ltd.

Consolidated cash flow statement for the year ended 31 December 2001

	2002.1-6
	RMB'000
Net cash inflow/(outflow) from operating activities	**46,604**

Investing activities	
Proceeds of sales of partial interest in a subsidiary and equity securities	1,658
Proceeds from sales of property, plant and equipments, intangible assets and other long-term assets	1,385
other proceeds from investment	844
Payment for property, plant and equipments, intangible assets and other long-term assets	-115,096
Payment for acquisition of equity securities and interest in subsidiaries	-37,183
Cash outflow from investing activities	**-148,392**

Financing activities	
Capital injection from minority shareholders	39,729
Proceeds from bank loans	2,108,467
Repayment of bank loans	-1,837,900
Dividends and interest paid	-210,249
Cash (outflow)/inflow from financing activities	**100,047**

Net increase in cash and cash equivalents	**-1,741**
Effect of foreign exchange rates	**-1,350**
Cash and cash equivalents at 1 January	**391,218**
Cash and cash equivalents at 30-June	**388,127**
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VII. DOCUMENTS FOR INSPECTION

1. 2002 Semi-annual Report with the signature of the Chairman of the Board;
2. Financial Statements with signatures and seals of the legal representative, person in charge of accounting affairs and manager of accounting organism;
3. Auditors' Report with the seal of Certified Public Accounts as well as signatures and seals individual CPAs.
4. Originals of all documents publicly disclosed in newspapers designated by CSRC in the report period;
6. Articles of Association of the Company.

Board of Directors of
China International Marine Containers (Group) Co., Ltd.
April 27, 2002