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

(Incorporated in People's Republic of China)

SEMI-ANNUAL REPORT 2005 (SUMMARY)

Ended June 30, 2005

1. Important Notice

1.1 The Board of Directors of China International Marine Containers (Group) Co., Ltd. (hereinafter referred to as the Company) and its directors individually and collectively accepts 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 2005 semi-annual report is abstracted from the semi-annual report; and full text of the semi-annual report is published on the Internet website http://www.cninfo.com.cn and http://www. cimc.com designated by the Company for publishing the information of the Company in the mean time. The investors are suggested to read the full text of semi-annual report to understand more details.

This report was prepared in both English and Chinese. Should there be any difference in interpretation of the two versions, the Chinese version shall prevail.

1.2 No directors stated that he (she) could not ensure the correctness, accuracy and completeness of the contents of the Semi-annual Report or had objection for this report.

1.3 Summary of Semi-annual Report 2005 was examined and approved by the 8th meeting of the Board of Directors of the Company. Eight directors were expected to attend the Board meeting and actually seven of them were present. Independent Director Mr. Han Xiaojing was absent from the Board meeting due to some reason and entrusted Independent Director Mr. Zhang Limin to exercised the vote right on his behalf.

1.4 Chairman of the Board of the Company Mr. Li Jianhong, President of the Company Mr. Mai Boliang and General Manager of Financing & Management Dept. Mr. Jin Jianlong hereby confirm that the Financial Report enclosed in the Semi-annual Report is true and complete.

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

2. Company Profile

2.1 Basic information

Short form of the stock	CIMC CIMC-B	
Stock code	000039, 200039	
Listed stock exchange	Shenzhen Stock Exchange	
	Secretary of the Board of Directors	**Authorized representative in charge of securities affairs**
Name	Yu Yuqun	Wang Xinjiu
Contact address	R&D Center of CIMC, No. 2 Gangwan Avenue, Shekou Industrial Zone, Shenzhen, Guangdong Province, P.R.C.	R&D Center of CIMC, No. 2 Gangwan Avenue, Shekou Industrial Zone, Shenzhen, Guangdong Province, P.R.C.
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E-mail	shareholder@cimc.com	shareholder@cimc.com

2.2 Major financial data and indexes

2.2.1 Major accounting data and financial indexes

Unit: RMB

Items	At the end of this period	At the end of the last year	Increase/decrease at the end of this report period compared with the year-beginning （%）
Total Current assets	15,510,296	12,261,998	26.49%
Total Current liabilities	10,474,246	7,787,812	34.50%
Total assets	20,842,453	16,986,315	22.70%
Total equity (excluding minority interests)	9,958,207	8,375,775	18.89%
Net assets per share (RMB yuan)	4.94	8.31	-40.55%
Items	**In the report period (Jan. to Jun. 2003)**	**At the same period of last year**	**Increase/decrease in this report period compared with the same period of last year (%)**
Net profit for the period	2,051,852	927,283	121.28%
Earnings per share (RMB yuan)	1.02	0.46	121.74%
ROE (Return on equity)	20.60%	11.07%	9.53%
Net cash flow from operating activities	782,191	-943,889	-182.87%

2.2.3 Difference in net profit and Net assets under he PRC Accounting Rules and Regulations and IFRS

√Applicable ☐Inapplicable

Net profit and net assets calculated according to the two different accounting standards and accounting systems and the difference:

Unit: RMB'000

	Profit attributable to equity holders of the parent for the six months ended 30 June 2005	*Total equity attributable to equity holders of the parent at 30 June 2005*
	RMB'000	RMB'000
Prepared under the PRC Accounting Rules and Regulations	2,051,015	9,017,160
Adjustments to align with IFRS:		
(i) Adjustment to minority interests	552	10,105

(ii)	Adjustment to deferred tax assets	(2,976)	49,394
(iii)	Adjustment to goodwill and negative goodwill	(5,565)	(40,151)
(iv)	Adjustment to interest capitalisation	5,179	24,269
(v)	Others	3,647	21,360
Prepared under IFRS		2,051,852	9,082,137
		========	========

3. Changes in Share Capital and Particulars about Shareholders

3.1 Statement of change in shares

√ Applicable ☐ Inapplicable

Unit: Share

	Before the change	Other changes in the report period	Changes of transferring into share capital in this time (+)	After the change	Proportion in total shares (%)
I. Unlisted shares					
1. Sponsor's shares	363,781,013	−200,079,557	163,701,456	327,402,912	16.23
Including:					
Domestic legal person's share		0	0		0
Foreign legal person's share	363,781,013	- 200,079,557	163,701,456	327,402,912	
Total unlisted shares	363,781,013	- 200,079,557	163,701,456	327,402,912	16.23
II. Listed shares					
1. RMB ordinary shares	302,933,219	0	302,933,219	605,866,438	30.04
Including: Shares held by senior executives	302,933,219	- 66,926	312,312	624,624	0.03
2. Domestically listed foreign shares	341,769,121	+200,079,557	541,848,678	1,083,697,356	53.73
Total listed shares	644,702,340	+200,079,557	844,781,897	1,689,563,794	8.77
III. Total shares	1,008,483,353	0	1,008,483,353	2,016,966,706	100.00

3.2 Particulars about shares held by the top ten shareholders

1. The total shareholders at the end of the report period

Ended June 30, 2005, the Company had 121,893 shareholders in total, including 104,535 shareholders of A-share and 17,358 shareholders of B-share.

2. Particulars about shares held by main shareholders (the top ten shareholders of the Company ended June 30, 2005)

Name of Shareholder	Increase / decrease in the report period	Shares held at the period-end (share)	Proportion in total shares (%)	Type of shares (Circulating/Non-circulating)	Share pledged or frozen	Nature of shareholders

1. COSCO Container Industries Limited	163,701,456	327,402,912	16.23	Non-circulating	0	Foreign share
2. CHINA MERCHANTS CONTAINER INDUSTRY CO., LTD.	163,701,456	327,402,912	16.23	Circulating	0	Foreign share
3. FAIR OAKS DEVELOPMENT LIMITED	68,650,052	131,422,830	6.52	Circulating	0	Foreign share
4. PROFIT CROWN ASSETS LIMITED	－7,538,469	28,839,632	1.43	Circulating	0	Foreign share
5. China Bank – Haifutong Income Growth Securities Investment Funds	12113,511	20,000,000	0.99	Circulating	Unknown	General public share
6. LONG HONOUR INVESTMENTS LIMITED	9,591,707	19,183,414	0.95	Circulating	0	Foreign share
7. TOYO SECURITIES ASIA LIMITED-A/C CLIENT	10,026,341	16,412,827	0.81	Circulating	Unknown	Foreign share
8. JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497	6,085,171	15,307,142	0.76	Circulating	Unknown	Foreign share
9. FF GREATER CHINA FD GT1 24037	6,259,560	14,259,600	0.71	Circulating	Unknown	Foreign share
10. Galaxy － Charter－CITIGROUP GLOBAL MARKETS LIMITED	12,461,808	13,457,449	0.67	Circulating	Unknown	General public share

3. About shares held by the top ten shareholders of circulation share

Shares held by the top ten A-share shareholders of circulation share

Name of shareholders (full name)	Circulation shares held at the period-end
1. CHINA – HAIFUTONG INCOME GROWRH SECURITIES INVESTMENT FUNDS	20,000,000
2. GALAXY – CHARTER – TIANYUAN SECURTIES INVESTMENT FUNDS	13,457,449
3. COMMERCIAL BANK OF CHINA – TIANYUAN SECURITIES INVESTMENT FUND	11,000,000
4. COMMUNICATIONS BANK OF CHINA – KEHUI SECURITIES INVESTMENT FUND	8,380,000
5. CHINA MERCHANTS BANK CO., LTD – ZHONGXIN CLASSIC EQUIPMENT SECURITIES INVESTMENT FUND	5,780,112
6. ICBC – SOUTH STEADY GROWTH SECURITIES INVESTMENT FUND	5,259,625
7. ICBC – SOUTH ACTIVE EQUIPMENT SECURITIES INVESTMENT FUND	5,054,062
8. HE LI JUN	4,800,007
9. HONGYANG SECURITIES INVESTMENT FUNDS	4,595,000
10. GUOXIN SECURITIES CO., LTD.	4,590,284

Notes:

Among the top ten shareholders: South Steady Growth Securities Investment Fund and South Active Equipment Securities Investment Fund belong to two open funds under South Funds Management Company;

Shares held by the top ten B- share shareholders of circulation share：

Name of shareholders (full name)	Circulation shares held at the period-end
1. CHINA MERCHANTS CONTAINER INDUSTRY CO., LTD.	327,402,912
2.FAIR OAKS DEVELOPMENT LIMITED	131,422,830
3.PROFIT CROWN ASSETS LIMITED	28,839,632
4.LONG HONOUR INVESTMENTS LIMITED	19,183,414
5.TOYO SECURITIES ASIA LIMITED-A/C CLIENT.	16,412,827
6.JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497	15,307,142
7.FF GREATER CHINA FD GT1 24037	14,259,600
8.NIKKOCITI TB S/A RE: JF CHINA MOTHER FD (716000)	13,225,426
9.TEMPLETON DRAGON FUND, INC.	12,791,872
10.GUOTAI JUNAN SECURIES HONG KONG LIMITED	12,728,672

Note: Among the top ten shareholders, there existed the associated relationship as well as the consistent action between the first shareholder and the second shareholder: China Merchants Container Industry Co., Ltd. and Fair Oaks Development limited both are the sole affiliated company of China Merchants International Co., Ltd; they are not belonging to consistent actors among other shareholders regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Company. COSCO Container Industries Limited is the sole affiliated company of COSCO Pacific Ltd., COSCO Pacific Ltd. is wholly-owned subsidiary of; LONG HONOUR INVESTMENTS LIMITED is indirectly held by COSCO Hong Kong Group Ltd.

It's unknown whether there existed related relationship or belongs to consistent actors regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Company.

The two large shareholders of China Merchants Container Industry Co., Ltd. and COSCO Container Industries Limited remained unchanged.

3.3 Particulars about change in controlling shareholder and actual controller of the Company

□Applicable √Inapplicable

4. Particulars about Directors, Supervisors and Senior Executives

4.1 Particulars about changes in shares held by directors, supervisors and senior executives

√Applicable □Inapplicable

Name	Title	Holding shares at the begin of the period	Holding shares at the end of the period	Reason for change
Mai Boliang	Director, President	187,387.00	374,774.00	Converting public reserve into share capital
Li Ruiting	Vice-president	124,925.00	249,850.00	Converting public reserve into share capital

5. Discussions and Analysis of the Management

5.1 Statement of core business classified according to industries or products

Business segments of Revenue:

Unit: RMB'000

Business segments	Revenue	Cost of sales	Gross Margin	Increase/decrease of revenue compared with the previous year (%)	Increase/decrease of gross margin compared with the previous year (%)
Containers	15,885,066	1,2,611,956	20.61%	58.87%	4.59%
Trailers	2,072,666	1,807,245	12.81%	198.23%	3.23%
Others	169,751	384,783	-126.67%	-57.74%	-146.29%

5.2 Statement of core business classified according to Geographical segments

Geographical segments	*Revenue*	
Surround Bohai areas	6,807,501	45.27%
The Yangtze Delta	6,359,533	83.08%
Extensive Zhujiang Delta	4,159,726	47.75%
Overseas	378,961	0.00%
Other Area of PRC	421,762	249.52%
Total	181,27,483	

5.3 Other operating businesses impacting significantly on the net profit

□Applicable √Inapplicable

5.4 Operation of share-holding companies (applicable to the situation that the investment equity takes over 10% of the net profit)

□Applicable √Inapplicable

5.5 Explanation of reasons of material change of core business and its structure

√Applicable ☐Inapplicable

Road transport vehicle of the Company kept a quick growth, its revenue is over 10% of the Group's income from main operations.

5.6 Explanation of reasons of material change of profitability capability of core business (gross profit ratio) compared with the previous year

√Applicable ☐Inapplicable

Income ratio from other mediate and top position of logistics installation products would be on the increase.

5.7 Analysis of reasons of material change of profit structure compared with the previous year

☐Applicable √Inapplicable

5.8Application of the raised funds

5.8.1 Use of the raised funds

√☐Applicable ☐Inapplicable

Unit: RMB'000

Committed projects	Planned investment	Accumulated amount of investment in the period-beginning	Planned amount of investment in the period	Actual amount of investment of the period	Progress of project	Profit of project
Transform of dry container plant	329,060	0	0	**329,060**	100%	---
Improvement of the productivity of container for district purpose and container for special purpose	413,500	0	4,968,00	**253,924**	61%	145,091
Remolding for improving the productivity of the reefer container	221,060	0	3,979.10	**182,060**	82%	---
Tank Container	145,390	0	0	**145,390**	100%	71,040
Compartmental semi-Trailer	231,560	0	0	**231,560**	100%	---
Container chassis	190,210	0	5,000.00	**155,860**	82%	6,910
Compartmental semi-Trailer for the processing of overseas raw materials	240,120	0	0	**220,520**	92%	4,330
Total	1,770,900		1,248,290	**1,518,374**	86%	**227,370**

Ended the end of the report period, the raised capital amounting to RMB 237.28 million, which hasn't been put into use, would supplement the current fund temporarily.

5.8.2 Particulars about the change of investment project

☐Applicable √Inapplicable

5.9 Amendment plan of the business plan of the Board of Directors in the second half of the year

☐Applicable √Inapplicable

5.10 Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reasons

□Applicable √Inapplicable

5.11 Explanation of the Management of the Company on the "Non-standard Opinion" produced by Certified Public Accountants in the report period

□Applicable √Inapplicable

5.12 Explanation of the Management of the Company on the change and disposal situation of the events involved in the "Non-standard Opinion" produced by Certified Public Accountants in the last year

□Applicable √Inapplicable

5.13 Explanation of the Management of the Company on the change and disposal situation of the events involved in the "Non-standard Opinion" produced by Certified Public Accountants in the last year

□Applicable √Inapplicable

6. Significant Events

6.1 Purchase and sale of assets and assets reorganization

6.1.1 Purchase or transfer-in of assets

□Applicable √Inapplicable

6.1.2 Sale or transfer-out of assets

□Applicable √Inapplicable

6.2 Guarantee events

√Applicable □Inapplicable

In the report period, the Company inspected itself on the capital current with related parties and external guarantee etc.: there was no capital occupied by the controlling shareholder and other related parties and the Company didn't offer capital directly or indirectly to controlling shareholder and other related parties for use.

By Jun. 30, 2005, the balance of contingent liabilities arising out of the guarantees provided by the Company for subordinate subsidiaries was RMB 1.15902 billion, taking up 12.85% of the Company's net assets amounting to RMB 90.1716 trillion on Jun. 30, 2005, not exceeding 50%.

6.3 Come-and-go of the related credits and debts

☐Applicable √ Inapplicable

Unit: RMB'000

Related party	Related relation	Loans to an associate		Associate loans to the Company	
		Debt entry	Balance at the end of the period	Credit entry	Balance at the end of the period
KYH STEEL HOLDING LTD	An associate of the Company	0.00	0.00	73.2	1,922.0
Total		0.00	0.00	73.2	1,922.0

6.4 Material lawsuits and arbitrations

☐Applicable √ Inapplicable

6.5 Other significant events and analysis and explanation of its influence and settlement project

☐Applicable √ Inapplicable

7. Financial Report

7.1 Auditing opinion

Financial Report	√ Un-audited ☐Audited
Auditing opinion	☐ Standard opinion without reservation ☐ Non-standard opinion
Full text of auditing opinion	
Not audited	

7.2 Consolidated income statement of the Company

Consolidated income statement

	Note	*Six months ended 30 June* *2005* RMB'000	*2004* RMB'000
Revenue	4	18,038,919	11,050,471
Cost of sales		(14,823,573)	(9,369,875)
Gross profit		3,215,346	1,680,596
Other operating income	5	147,297	131,276
Distribution expenses		(300,827)	(166,420)
Administrative expenses		(601,363)	(305,031)
Other operating expenses	6	(62,123)	(215,779)

Operating profit before net financing costs		2,398,330	1,124,642
Financial income	8	9,073	17,497
Financial expenses	8	(110,439)	(33,952)
Net financing costs	8	(101,366)	(16,455)
Share of the profit of associates		4,916	13,731
Profit before tax		2,301,880	1,121,918
Income tax expense	9(a)	(195,691)	(138,511)
Profit for the period		2,106,189	983,407
		=========	=========
Attributable to:			
Equity holders of the parent		2,051,852	927,283
Minority interests	27	54,337	56,124
Profit for the period		2,106,189	983,407
		=========	=========
Basic earnings per share (RMB Yuan)	11	1.02	0.46
		===	===

7.3 Notes to Financial Statements

7.3.1 The change of accounting policies and accounting estimation and correction of accounting error all did not happen in the report period compared with the latest annual report.

7.3.2 If the consolidated scope of financial statements changed significantly, please explain the reasons and its influence.

□Applicable √ Inapplicable

7.3.3 If to be produced with non-standard opinion without reservation, please list the relevant notes to the involved events.

□Applicable √ Inapplicable

Board of Directors of
China International Marine Containers (Group) Co., Ltd.
Aug. 18, 2005