China International Marine Containers (Group) Co., Ltd.
First Quarterly Report of 2007

§1 Important Notice

1.1 The Board of Directors, the Supervisory Committee, directors, supervisors and senior executives of China International Marine Containers (Group) Co., Ltd. (hereinafter referred to as the Company) warrant that this report does not contain any false or misleading statements or omit any material facts and all information set forth herein are true, accurate and complete.
This report has been prepared in Chinese and English version respectively. In the event of difference in interpretation between the two versions, the Chinese report shall prevail.

1.2 None of the directors, supervisors, senior management demonstrated uncertainty or disagreement about the truthfulness, accuracy, and completeness of this quarterly report.

1.3 All directors attended the Board meeting.

1.4 The Financial Report of the first quarterly report period has not been audited.

1.5 Chairman of the Board, Mr. ***Fu Yuning***, President of the Company, Mr. ***Mai Boliang*** and General Manager of Financial Management Dept., Mr. ***Jin Jianlong*** announce: ensure the correctness and completeness of financial report in this quarterly report.

§ 2 Company Profile

2.1 Main accounting data and financial indicators

Unit: RMB'000

	At the end of the report period	At the end of the previous year	Increase/decrease at the end of the report period compared with that at the end of the last year (%)
Total assets	**28,123,363**	23,335,838	20.52%
Shareholders' equity (excluding minority interests)	12,773,526	12,303,815	3.82%
Net assets per share	**5.76**	5.55	3.82%
	The report period (Jan.-Mar. 2007)	**From the beginning of the year to the end of the**	**Increase/decrease during the report**

		report period (Jan. –Mar. 2007)	period compared with that of the last year (%)
Net cash flow arising from operating activities	-1,360,816	-1,360,816	-1,159.90
Net cash flow per share arising from operating activities (*yuan)*	**-0.6133**	-0.6133	-1,199.36
Basic earnings per share	**0.26**	0.26	4.00
Diluted earnings per share	**0.26**	0.26	4.00
Return on equity (%)	**4.52%**	4.52%	0.53

Reconciliation of the Group's profit and total equity attributable to equity shareholders of the Company prepared under International Financial Reporting Standards ("IFRSs") and the PRC Accounting Rules and Regulations:

	Profit attributable to equity shareholders of the Company for the three months ended 31 March 2007 RMB'000	*Total equity attributable to equity shareholders of the Company at 31 March 2007* RMB'000
Prepared under the PRC Accounting Rules and regulations	578,931	12,702,104
Adjustments to align with IFRSs:		
(i) Adjustment to minority interests	308	(10,707)
(ii) Adjustment to government grant, net of related costs	(2,226)	58,915
(iii) Others	7	23,214
Prepared under IFRSs	577,020	12,773,526
	===========	==========

2.2 Total shareholders as at the end of the report period and particulars about shares held by the top ten tradable shareholders of the Company

Total number of shareholders as at the end of report year	The Company has totally **97,850** shareholders, of them, **79,739**shareholders of A-share and **18,111** shareholders of B-share.
Particulars about shares held by the top ten shareholders of tradable A-shares	

No.	Name of shareholders	Number of shares held at the end of the period	Type
1	BANK OF COMMUNICATIONS－ANSHUN SECURITIES INVESTMENT FUND	20,000,000	A
2	BANK OF CHINA－CHANGSHENG TONGZHI GROWTH MIXED SECURITIES INVESTMENT FUND	19,291,518	A
3	CHINA CONSTRUCTION BANK－HUAAN HONGLI STOCK SECURITIES INVESTMENT FUND	15,880,000	A
4	CHINA INDUSTRIAL AND COMMERCIAL BANK－KAIYUAN SECURITIES INVESTMENT FUND	12,000,000	A
5	CHINA CONSTRUCTION BANK－CHINAAMC GROWTH SECURITIES INVESTMENT FUND	11,036,265	A
6	CHINA INDUSTRIAL AND COMMERCIAL BANK－CHINA SOUTHERN ACTIVE COLLOCATE SECURITIES INVESTMENT FUND	10,897,846	A
7	CHINA CONSTRUCTION BANK－ICBC CREDIT SUISSE STABLE GROWTH EQUITY SECURITIES INVESTMENT FUND	10,081,607	A
8	CHINA INDUSTRIAL AND COMMERCIAL BANK－CCB PRINCIPAL ASSETS OPTIMIZATION COLLOCATE MIXED SECURITIES INVESTMENT FUND	9,700,000	A
9	GALAXY－STANDARD CHARTERED－CITIGROUP GLOBAL MARKETS LIMITED	7,895,082	A
10	CHINA INDUSTRIAL AND COMMERCIAL BANK－BOSERA SELECT EQUITY SECURITIES INVESTMENT FUND	6,999,691	A

Particulars about shares held by the top ten circulating shareholders of B-shares			
No.	Name of shareholders	Number of circulating shares held in the period end	Type
1	CHINA MERCHANTS (CIMC) INVESTMENT LTD.	360,143,203	B
2	CHINA MERCHANTS (CIMC) HOLDINGS LTD.	144,702,613	B
3	BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	45,525,033	B
4	HTHK-TARGET ASIA FUND LIMITED	41,073,219	B
5	LONG HONOUR INVESTMENTS LIMITED	21,101,755	B
6	CMBLSA RE FTIF TEMPLETON ASIAN GRW FD GTI 5496	16,818,676	B
7	DRAGON BILLION GREATER CHINA MASTER FUND	16,592,973	B
8	TOYO SECURITIES ASIA LIMITED-A/C CLIENT	12,981,515	B
9	BB/BARING HONG KONG FUND	12,799,988	B
10	JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497	12,183,946	B

§3 Significant Events

3.1 Particular about large-margin change of main accounting statement item and financial index and its reason

√ Applicable ☐Inapplicable

1. During the report period, short-term loan has increased by 168.13% compared with the period-begin, which was mainly because of the large-margin expansion in respect of management scale. 2. During the report period, administrative expense has increased by 76.49% compared with the same period of last year, which was mainly because the large-margin expansion in respect of management scale. 3. During the report period, investment income has decreased by 37.17% compared with the same period of last year, which was mainly due to the decrease of gaining on securities. 4. From January to March 2007, the Company realized the income from main operation of RMB 10.006 billion and net profit of RMB 577 million, up 84.79% and 13.81% respectively year-on-year. The income from main operation has increased by a large margin, which was mainly because that the demand of containers grew compared with the same period of last year. From Jan. to Mar. 2007, the Group accumulatively sold the containers of 470,400 TEU, up 69.33% over that of last year, realized sale revenue of the road transport vehicle amounting to 1.990 billion, an increase of 44.79% year-on-year, and accumulatively sold various vehicles amounting to 21,110, up 14.13% compared with the same of the last year. During the report period, the growth margin of net profit was lower than the growth margin of income from main operation, which was mainly because the cost of operation especially cost of material is going up, gaining on securities reduced, and impairment loses increased a lot compared with the same period of last year.

3.2 The progress and influence of significant events and the analysis and explanation on resolving proposal

√ Applicable ☐Inapplicable

The Company signed a Term Sheet on acquiring Burg on Nov. 16, 2006 with Mr. Cees van der Burg and Mr. Peter van der Burg, the beneficial shareholder of Burg, through renegotiation. The Company shall establish a new joint venture company (Newco) with one of the beneficial shareholders of Burg, i.e. Mr. Peter van der Burg. The registered capital of Newco is EURO 60,000,000, of which Mr. Peter van der Burg shall invest EURO 12 million, taking up 20% equity, while the Company shall invest EURO 48 million , taking up 80% equity. Newco shall purchase 100% equity of Burg at the price of EURO 108 million. As at Apr. 25, 2007, the aforesaid transaction was still under progress, and would be approved by the government related organizations of China, Holland and Germany, etc. The aforesaid event has been disclosed in Public Notice on Progress of the Purchasing Burg Industries B.V. in *Securities Times*, *China Securities Journal*, *Shanghai Securities News and Hong Kong Ta Kung Pao* on Dec. 8, 2006 with public number

[CIMC] 2006-042.

3.3 The fulfillment of the commitment made by the Company, shareholders and the actual controller

□Applicable √Inapplicable

3.4 Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next report period compared with the same period of the last year according to prediction, as well as explanations on the reasons

□Applicable √Inapplicable

3.5 The explanation on the discrepancy between the shareholders' equity at the year-beginning of 2007 in this quarter report's balance statement and the shareholders' equity at the year-beginning of 2007 in the reconciliation statement of shareholder's equity of old and new accounting standard

√Applicable □Inapplicable

In this quarterly report, the shareholders' equity at the beginning of 2007 listed in the balance sheet was RMB 13,068,311,908.18, which has decreased by RMB 35,136,845.40 compared with the shareholders' equity of RMB 13,103,448,753.58 at the beginning of 2007 listed in the "reconciliation statement of shareholders' equity calculated between the old and new accounting standard", which was because that the Company newly made the retroactive reconciliation in accordance with IFRS in 2007.

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

Apr. 26, 2007

§4. Attachment

Consolidated balance sheet at 31 March 2007
(Expressed in Renminbi)

	31 March 2007 RMB'000	*31 December 2006* RMB'000 (audited)
Non-current assets		
Property, plant and equipment	4,630,228	4,670,102
Lease prepayments - non-current portion	1,063,867	989,622
Construction in progress	610,034	342,949
Timber concession rights	63,400	65,694
Intangible assets	30,726	30,432
Goodwill	314,958	293,682
Interest in associates	499,222	491,592
Interest in jointly controlled entity	127,314	128,596
Finance lease receivable	56,042	58,464
Prepayment for investments	11,852	64,819
Deferred tax assets	117,036	114,780
Other financial assets	1,600,570	1,616,066
	9,125,249	8,866,798
Current assets		
Lease prepayments - current portion	45,094	43,665
Trading securities	515,564	215,634
Inventories	6,156,809	4,772,042
Trade and other receivables	10,736,338	7,420,827
Cash and cash equivalents	1,544,309	2,016,872
	18,998,114	14,469,040
Current liabilities		
Trade and other payables	10,404,845	7,727,739
Bank loans	2,303,859	859,225
Current taxation	135,261	121,594
Provisions	596,058	565,329
	13,440,023	9,273,887

	31 March 2007 RMB'000	31 December 2006 RMB'000 (audited)
Net current assets	5,558,091	5,195,153
Total assets less current liabilities	14,683,340	14,061,951
Non-current liabilities		
Bank loans	994,800	725,800
Deferred tax liabilities	163,947	165,536
	1,158,747	891,336
NET ASSETS	13,524,593	13,170,615

	31 March 2007 RMB'000	*31 December 2006* RMB'000 (audited)
CAPITAL AND RESERVES		
Share capital	2,218,663	2,218,663
Reserves	10,554,863	10,085,152
Total equity attributable to equity holders of the Company	12,773,526	12,303,815
Minority interests	751,067	866,800
TOTAL EQUITY	13,524,593	13,170,615

Consolidated income statement for the three months period ended 31 March 2007
(Expressed in Renminbi)

	Three months ended 31 March	
	2007	*2006*
	RMB'000	RMB'000 (restated)
Revenue	10,006,212	5,414,928
Cost of sales	(8,880,509)	(4,577,097)
Gross profit	1,125,703	837,831
Other income	101,507	59,831
Distribution costs	(230,987)	(189,886)
Administrative expenses	(337,610)	(191,293)
Other operating expenses	(36,104)	(15,564)
Profit from operations	622,509	500,919
Finance income and expense	18,295	85,826
Share of profits less losses of associates	11,650	3,650
Share of loss of jointly controlled entity	(48)	-
Profit before taxation	652,406	590,395
Income tax	(56,242)	(54,307)
Profit for the period	596,164	536,088
Attributable to:		
Equity holders of the Company	577,020	506,995
Minority interests	19,144	29,093
Profit for the year	596,164	536,088
Earnings per share (RMB Yuan)		
Basic	0.26	0.23

Consolidated cash flow statement for the three months period ended 31 March 2007
(Expressed in Renminbi)

	Three months ended 31 March	
	2007	*2006*
	RMB'000	RMB'000
Operating activities		
Profit before taxation	652,406	590,395
Adjustments for:		
Depreciation	89,713	79,668
Amortisation of other intangible assets	1,574	958
Amortisation of timber concession rights	1,370	1,439
Gains on recognition of negative goodwill	-	(121)
Net (gains) / losses on sale of property, plant and equipment	(9)	297
Bank interest income	(10,553)	(14,048)
Finance costs	49,216	20,873
Net realised and unrealised gains on trading securities	(55,845)	(100,505)
Dividend income from investments in equity securities	-	(130)
Share of profits less losses of associates	(11,650)	(3,650)
Share of loss of joint controlled entity	48	-
Operating profit before changes in working capital	716,270	575,176
Increase in lease prepayments	(85,713)	(7,574)
Decrease in long-term receivables	2,018	3,350
Increase in trade and other receivables	(3,376,585)	(1,099,068)
Increase in inventories	(1,428,744)	(518,668)
Increase in trade and other payables	2,775,732	1,162,780
Increase in provisions	36,206	12,395
Cash (used in) / generated from operations	(1,360,816)	128,391
Tax paid	(44,749)	(33,044)
Net cash (used in) / generated from operating activities	(1,405,565)	95,347

Consolidated statement of cash flows for the three months period ended 31 March 2006 (continued)
(Expressed in Renminbi)

	Three months ended 31 March	
	2007	*2006*
	RMB'000	RMB'000
Investing activities		
Interest received	10,553	17,398
Payment for the purchase of property, plant and equipment	(69,358)	(47,522)
Payment for the purchase of intangible assets	(2,120)	-
Payment for construction in progress	(303,728)	(119,710)
Prepayment for investments	(11,869)	(79,490)
Payment for acquisition of minority shareholdings	(109,067)	(123,541)
Net cash paid arising from acquisition of subsidiaries	-	(915)
(Net payment for) / proceeds from investments in trading securities	(245,458)	280,888
Dividend received from investments in equity securities	-	163
Proceeds from sales of property, plant and equipment	574	6,031
Repayment of advances by minority interests	-	6,448
Advances to minority interests	-	(1,415)
Net cash used in investing activities	(730,473)	(61,665)

Consolidated statement of cash flows for the three months ended 31 March 2007 (unaudited) (continued)
(Expressed in Renminbi)

	Three months ended 31 March	
	2007	*2006*
	RMB'000	RMB'000
Financing activities		
Interest paid	(40,300)	(21,232)
Other borrowing costs paid	(2,063)	(3,054)
Proceeds from new bank loans	3,612,242	1,130,487
Repayment of bank loans	(1,887,580)	(1,247,275)
Capital injection from minority interests	914	-
Dividends paid to minority interests	(1,034)	(6,831)
Net cash generated from / (used in) financing activities	1,682,179	(147,905)
Net decrease in cash and cash equivalents	(453,859)	(114,223)
Cash and cash equivalents at 1 January	2,016,872	2,828,223
Effect of foreign exchange rate changes	(18,704)	(18,093)
Cash and cash equivalents at 31 March	1,544,309	2,695,907