



SINOTRANS LIMITED

中國外運股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code 598)

ANNOUNCEMENT

This announcement is made by Sinotrans Limited (the "Company") pursuant to its obligations under rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company announces that it has today received notice from 中國對外貿易運輸（集團）總公司(China National Foreign Trade Transportation (Group) Corporation) ("Sinotrans Group") according to 《關於推進國有資本調整和國有企業重組的指導意見》（國辦發『2006』97號）(The Guidance Opinion on the Implementation of Adjustments of State-owned Capital and the Reorganisation of State Owned Enterprises (Guo Ban Fa no 297 of 2007)) issued by the State Council State Assets Committee, the promoter of the Company, Sinotrans Group is considering a possible merger with 中國長江航運（集團）總公司(China Yangtze Transportation (Group) Corporation). At present, Sinotrans Group is in discussions with 中國長江航運（集團）總公司(China Yangtze Transportation (Group) Corporation) on the key aspects of the possible merger and related reorganisation. There is no certainty as to whether or not the parties will reach agreement on such discussions. The Company will promptly make announcement of further developments.

As at the date of this announcement, Sinotrans Group holds 57.93% of the total issued share capital of the Company.

By order of the Board
Sinotrans Limited
Gao Wei
Company Secretary

Beijing, 17 June 2008

As at the date of this announcement, the Executive Directors of the Company are Zhao Huxiang, Zhang Jianwei, Tao Suyun and Li Jianzhang; Non-executive Directors of the Company are Yang Yuntao, Liu Jinghua, Jerry Hsu and Peter Landsiedel; and Independent Non-executive Directors of the Company are Sun Shuyi, Lu Zhengfei and Miao Yuexin.