



Dalian Port (PDA) Company Limited*

(a Sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2880)

ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that the Company jointly with Modern Terminals, an independent third party, has entered into a Framework Agreement on the Strategic Cooperation in Developing Deep-water Container Terminals at Dayaowan North Harbour with 大連市港口與口岸局 (Dalian Municipal Port Administration Bureau), which represents 大連市人民政府 (Dalian Municipal People's Government), on 19 March 2007 for the strategic cooperation in the proposed development and construction of container terminals at Dayaowan North Harbour in Dalian.

As the Proposed Project may or may not materialise, shareholders of the Company and public investors are advised to exercise caution when dealing in the Shares.

The board of directors (the "Board") of Dalian Port (PDA) Company Limited (the "Company") is pleased to announce that the Company jointly with Modern Terminals Limited ("Modern Terminals"), an independent third party, has entered into a Framework Agreement on the Strategic Cooperation in Developing Deep-water Container Terminals at Dayaowan North Harbour (the "Framework Agreement") with 大連市港口與口岸局 (Dalian Municipal Port Administration Bureau), which represents 大連市人民政府 (Dalian Municipal People's Government), on 19 March 2007 for the proposed development and construction of deep-water container terminals in the middle section of Dayaowan North Harbour in Dalian (the "Proposed Project"). Modern Terminals is a Hong Kong-incorporated company and is one of largest container terminal owners and operators in Hong Kong. Under the Framework Agreement 大連市人民政府 (Dalian Municipal People's Government) has agreed that the Company and Modern Terminals shall take the leading role in developing the Proposed Project. 大連市人民政府 (Dalian Municipal People's Government) shall provide Modern Terminals and the Company with the relevant preferential policies and shall be responsible for constructing of the terminal infrastructure facilities necessary for the Proposed Project. Modern Terminals and the Company have agreed that they shall, with the support of 大連市人民政府 (Dalian Municipal People's Government), jointly carry out the preliminary investigation and feasibility study, and prepare a plan for the development of the Dayaowan North Harbour in Dalian. 大連市人民政府 (Dalian Municipal People's Government) wishes that, subject to market demands, government approval and the respective necessary internal approvals of Modern Terminals and the Company, the two companies will set up a joint venture at an appropriate time for carrying out the Proposed Project and will strive to complete the construction of two berths by the end of 2010. When conditions permit and subject to the State's consent to developing of the west section of Dayaowan North Harbour, 大連市人民政府 (Dalian Municipal People's Government) shall consider the feasibility of Modern Terminal and the Company's participation in the development and construction of west section as an integral development of the middle section. Detailed terms of the Proposed Project contemplated under the Framework Agreement are still subject to negotiation and the Proposed Project may or may not proceed.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Modern Terminals is not a connected person (as defined in the Listing Rules) of the Company.

As the Proposed Project may or may not materialise, shareholders of the Company and public investors are advised to exercise caution when dealing in the Shares.

The Company will keep the market informed by way of announcement in compliance with the requirements of the Listing Rules as and when appropriate.

Save for the matter disclosed in this announcement, the Board confirms that there are no negotiations or agreements relating to intended transactions which are discloseable under Chapters 14 and 14A of the Listing Rules, nor is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By Order of the Board of Directors
MA Jinru LEE Kin Yu, Arthur
Joint Company Secretaries

Dalian City, Liaoning Province, the PRC
20 March 2007

As at the date of this announcement, the Directors are:

Executive Directors:

SUN Hong, JIANG Luning and SU Chunhua

Non-executive Directors:

LU Jianmin and ZHANG Fengge

Independent non-executive Directors:

YANG Zan, ZHANG Xianzhi and NG Ming Wah, Charles

* The Company is registered as an overseas company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under the English name "Dalian Port (PDA) Company Limited".