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MISSION STATEMENT To be a world leader in ship repair, conversion, new building and offshore marine engineering, we maintain trusting relationships with our customers, employers, and partners, yielding best returns for shareholders, society and environment. Depending on our talented engineers working alongside with an efficient project management team and a highly skilled workforce, we could guarantee to deliver the projects we undertake timely and professionally.





COSCO-built semi drilling rig achieves above international average uptime rate

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COSCO Guangdong delivers its second livestock carrier

On December 13, the livestock carrier "Ganado Express" sailed smoothly from COSCO (Guangdong) Shipyard. This is the second livestock carrier COSCO (Guangdong) has delivered to the Dutch owner Vroon B.V.

The vessel measures 134.8 metres in LOA, 19.6 metres in

breadth, 14.8 metres in depth, has a design draft of 11.3 metres and a cruising speed of 16.75 knots with 30 days' endurance. The cattle stalls cover a net area of 4,600 square metres. The vessel meets the relevant safety specifications of the Australian Maritime Safety Authority (AMSA).

A revolutionary X bow hull design has been adopted, which ensures a comfortable environment for the cattle onboard.

Throughout the construction process, COSCO (Guangdong) Shipyard adhered to green shipbuilding concepts, implementing green manufacturing technology;

the marine gas oil (MGO) emissions are kept below 0.1%, which has great significance in the control of sulfur oxides (SOX) in the shipping industry as well as for global environmental protection.

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Another livestock carrier launched in COSCO Guangdong Page 3



Success with "Horizon Enterprise" through highly efficient management

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Wind turbine installation vessel named "Sea Challenger"

On December 10, an offshore jack-up wind turbine installation vessel, being built by COSCO (Nantong) Shipyard for the Danish owner A2SEA, was named "Sea Challenger". This is an advanced offshore engineering specialist vessel with a high level of automation, designed for the transfer, lifting and installation of components of large wind turbines. COSCO holds the intellectual property rights on the detailed and production design of the series.

"Sea Challenger" is being built to meet strict technical requirements and deliver a strong operating performance. The vessel is based on the previously delivered wind turbine installation vessel "Sea Installer". It has an optimised bow line, which will increase the cruising speed;

the main hydraulic heavy lift has been changed from singleboom to double-boom, resulting in a corresponding increase in the lifting capacity from 800 to 900 tonnes; an increase in the loading area of the main deck will ensure the vessel is suitable for handling the installation of larger 5MW to 7MW wind turbines – it will be able to carry 10 sets of wind turbine components





per voyage. The vessel meets both DNV offshore construction specifications and Danish maritime standards. Equipped with a DP2 dynamic positioning system and the latest electric propulsion system, the vessel has been awarded the DNV class notation of "clean design" and will play a positive role in the promotion and development of clean energy.

"Sea Challenger" is the fourth wind turbine installation vessel designed, constructed and delivered by COSCO shipyards.

Christmas:



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2 PandaNews Offshore

COSCO-built semi drilling rig achieves above international average uptime rate

The COSCO-built deepwater semi-submersible drilling rig "Island Innovator" was put into operation in September 2013 and has been drilling in the North Sea since then. The North Sea is known for its tough and unpredictable conditions. The uptime rate of the rig has reached 97.5%, which exceeds the international average of 95%. The other performance indicators have also won high

The third-quarter announcement released by the owner and the drilling company shows that the rig has been officially put into use and is currently drilling in a large field on the North Sea. It has secured drilling contracts for 24 fields in a two-year period with a two-year option.

"Island Innovator" is the most advanced semi drilling rig



gical standards, construction specifications and commissioning techniques. Delivered in September 2012, it was designed to provide both drilling and workover services in harsh environment sea areas. The rig measures 104.5 metres in LOA, 65 metres in breadth, 36.86 metres in depth, 103.8 metres in overall height, with a design draft between 9.5 and 17.75 metres and a maximum displacement of 38,000 tonnes. It has a maximum variable deck load of 4,500 tonnes and a cruising speed of 10 knots per hour. It is capable of drilling in water depths of up to 1,500 metres and has a drilling depth of over 8,000 metres. The rig is equipped with both a DP3 dynamic positioning system and an anchor mooring positioning system and adopts an unmanned engine room design and centralized control system. Its living quarters consist of 120 cabins and are built to fivestar hotel standards in terms of interior design, layout and noise

COSCO Qidong launches cylindrical floating production, storage and offloading unit

On the morning of December 19, a floating production, storage and offloading (FPSO) unit was successfully launched in COSCO (Qidong) Offshore.

As another development of the yard's cylindrical series, the unit measures 78 meters in diameter and 32 metres in depth. It is based on the Sevan Marine design and is classed by DNV. The unit will have a storage capacity of 400,000 barrels and a daily process capacity of 44,000 barrels of crude oil and four billion standard cubic feet of gas. The main functions of the unit

include subsea crude oil filtering, oily water separating, oil storage and unloading.

Installation of the main deck blocks and other modules will follow the launching.



COSCO Guangdong launches tender drilling rig

On the morning of December 8, a tender drilling rig was successfully launched in COSCO (Guangdong) Shipyard. This is the second tender drilling rig to be built by COSCO (Guangdong) for the Singaporean owner, Energy Drilling. The Energy Drilling chief executive, Mr. Marcus Chew, ABS China Area director, Mr. Tan Haoming, yard's management, offshore project team members and on-site supervisors cowitnessed the moment.

The unit measures 99.97 metres in LOA, 29.87 metres in breadth, 11.35 metres in height

8,740 tonnes in weight, and can accommodate a crew of 170. It is designed to provide remote field drilling and workover services; it can also carry out drilling operations in areas requiring pile positioning. The tender rig is more economic than a jack-up rig in



terms of day rate. It is capable of drilling in water depths of up to 2,000 metres and has a drilling depth of over 5,000 metres. The rig is being built to meet the IMO noise level rules and ABS MODU (mobile offshore drilling unit)







Delegation from Petrobras visits COSCO Dalian

On December 14, a delegation from Petrobras, led by the project general manager, Mr. Marco Maddalena, visited COSCO (Dalian) Shipyard to inspect the progress of the FPSO "Algarve" conversion project.



FPSO forebody arrives at its destination

Recently, an FPSO forebody, built by COSCO, was shipped to its overseas buyer on a COSCOL-owned semi-submersible vessel "Xiang Rui Kou".

> A photograph taken from on board MV "Xiang Rui Kou" on completion of the mission



COSCO Dalian technology centre recognized at national-level

Based on a joint announcement issued by the National Development and Reform Commission, Ministry of Science and Technology, Ministry of Finance, General Administration of Customs and the State Administration of Taxation, the COSCO (Dalian) Shipyard Technology Centre has been acknowledged to be a leading technical centre at a nationallevel. Back in 2010, the COSCO (Nantong) Offshore Technology Centre was given the same honour.

The COSCO (Dalian) technology centre has a staff of over 450, among which are included offshore experts from Singapore and shipbuilding experts from Korea. The Centre is devoted to the study of advanced shipbuilding technology and the staff have successfully developed a number of projects with intellectual property rights, including the deepwater drillship, 350-ft jack-up rig, 9,000-hp platform supply vessel, 28,000cbm liquefied natural gas carrier, 30,000-dwt multiple purpose heavy lift vessel, 92,500-dwt, 82,000-dwt, 80,000-dwt and 57,000-dwt bulk carrier and FPSO conversion projects.

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Another livestock carrier launched in COSCO Guangdong

On December 22, COSCO (Guangdong) successfully launched a livestock carrier, being built for the Dutch owner Vroon B.V. This is the fourth vessel of the livestock carrier series COSCO (Guangdong) has undertaken to build for this owner. The Vroon supervision team and the COSCO (Guangdong) project team co-witnessed the moment.



COSCO Zhoushan bags more bulbous bow conversions from CMA CGA

Following the successful completion of three bulbous bow conversions and a sea damage repair project for CMA CGM recently, and based on its rich experience

and competency in production management, technology and services, COSCO (Zhoushan) won tenders from the French owner for another seven bulbous bow



conversion projects in 2014.

Bulbous bow conversions on container vessels place high technological demands and production requirements on the yard. The number of domestic shipyards which have successfully carried out such conversions is very limited. The new conversion contracts COSCO (Zhoushan) has secured involve bulbous bow conversions on 11,400-teu and 9.400-teu container vessels.

The first vessel is scheduled to arrive at COSCO (Zhoushan) early in 2014. The yard has already begun relevant preparatory work.

MV "Sri Prem Aparna" repaired in COSCO Zhoushan

Ye Min

COSCO (Zhoushan) Shipyard

On December 23, the bulk carrier "Sri Prem Aparna" sailed from COSCO (Zhoushan) after a successful 30-day repair, and began her new journey.

"Sri Prem Aparna" belongs to Target Ship Management, which owns thirteen vessels and provides a complete range of integrated marine services. The "Sri Prem Aparna" repair is the fourth project on which the owner and COSCO (Zhoushan) Shipyard have worked together.

"Sri Prem Aparna" was a big project for COSCO (Zhoushan) in the winter season of 2013. The main work included 360 tonnes of steel renewal in tank tops, water ballast tanks and hatch

covers; renewal of more than 2,000 metres of deck piping; sandblasting and painting of seven cargo holds and hatch covers and chipping and painting of topside tanks. The repair of the four sets of deck cranes proved to be especially challenging. COSCO (Zhoushan) attached great importance to this project. The executive deputy general manager of the yard, Mr. Cao Huadong, followed the project personally and paid it much attention. Every day our workers were divided into two groups, to work two shifts. As the end of the project approached, the project team members stayed onboard for three days to make sure that the vessel would be redelivered on schedule and with high quality workmanship.

The successful repair of "Sri Prem Aparna" once again shows the Cosco (Zhoushan) spirit - "hardworking, combat-worthy, pioneering and innovative", thanks to which we are capable of enduring all hardships and winning all battles. This project also significantly strengthened the partnership between COSCO (Zhoushan) and Target Ship





Wu Zhirong

COSCO (Zhoushan) Shipyard

"Your guys made a successful project again!" – declared Mr. Craig Johnson, the senior port engineer from Horizon Lines LLC, in a sincere and proud gesture, when we solved the last problem on a pump in the engine room. Shortly after that the vessel "Horizon Enterprise" departed from the yard's No.6 jetty and started out on her new journey. Behind her, fireworks lit up the sky, celebrating the challenging but good time.

Our good client, Horizon Lines, has already brought nine repair and conversion projects to COSCO (Zhoushan) since 2011, all the way from distant America, fully recognizing the yard's competence in this field.

The vessel "Horizon Enterprise" arrived at our shipyard on 21 October. The owner expected her to be redelivered on 31 October, 3 days earlier than the initially agreed schedule. We found ourselves facing a bigger challenge and more difficult situation than we'd anticipated but, where there is a will, there is a way.

In order to find the defects as soon as possible, we followed the suggestion of the site port engineer, Mr. Gartz Gould, and made a great effort to coordinate the other vessels at the yard, so that we could reschedule the docking time of "Horizon Enterprise"; finally she entered No.1 dry dock on October 27 - the sixth day after her arrival. This was the first time such a schedule has been arranged for Horizon vessels, and it put us under much more pressure to control the docking schedule, since the repair iobs were being carried out whilst we were still at the checking and close-up inspection phase. To ensure that all the activities were carried out properly and in a timely manner, the owners cooperated with us to identify the docking repair items first, and the yard arranged for the use of a container office beside the dock to facilitate prompt coordination and proper performance. The site repair manager was the master of the office, and the repair team members were always busy arranging, coordinating and

inspecting jobs and involved in discussions until night time. Even during the period typhoon Fitow hit the area, all the repair team members and workers continued working, only hoping that, despite the heavy rain and fierce wind, they would manage to speed up the project and save repair time.

During the final stage of the

vessel's repair and conversion. Mr. Edward F. Washburn, the general manager of the Horizon Lines' Engineering and Technical Services department, visited our shipvard. At that moment, the steel structure renewal had increased from 125 tonnes to 175 tonnes, involving quite a lot of locations; the coating area - 5,897 square metres, including 12 water ballast tanks and another 3,332 square metres for the pipe tunnel, which runs through the whole vessel, as well as other piping systems. Many of the locations were barely accessible to the grid blasting gun, and it was not reasonable to imagine that such a scope of work could be completed within the original schedule. At the weekly production meeting, Mr. Edward and Mr. Gartz pointed out the vessel had already been firmly booked, based on the planned redelivery date of 31 October. Considering the owner's commercial interests, the yard's top manager, Mr. Cao Huadong, decided to give priority to the vessel and speed up whatever and wherever could be sped up to ensure the target was met. Everyone involved in the project focused on the outstanding items: the heads of relevant departments also went onboard frequently to attend meetings and check the progress repeatedly; many of them worked overtime until all the jobs were performed in good order. The efficient management and hard work were not in vain Upon the vessel's departure, the port engineer, Mr. Gartz, expressed his appreciation: 'Excellent job with strong support from all departments. (It is) a pleasure to work with these fine people. I look forward to coming back!"

COSCO (Zhoushan) Shipyard and Horizon Lines LLC wish the crew of Horizon Enterprise all the best on their new honorable mission.

4 PandaNews **Christmas Special Edition**

Christmas a time to

's a tradition of COSCO shipyards to meet the joyful season with riotously entertaining parties and other interesting activities. Here we would love to share with you some photos fresh from the Christmas celebrations in our subsidiary shipyards. Go on and find out what we have been up to this Christmas! And if you like what you see, please join us next year!

COSCO GUANGDONG

Christmas: a time to get married!

The Christmas party in COSCO (Guangdong) Shipyard was very special. It was held in the office building of the shipyard and attended by owners' representatives, yard management and staff and guests from the Shanghai office, as well as the family and friends of eight pairs of newlyweds, their happiness witnessed by the three hundred guests present.

Earlier that day, the new couples had their wedding pictures taken in front of the tender drilling rig, which they, themselves, are helping to build. The girls were in flawless bridal dress and the guys straightened their ties. When interviewed, one of the bridegrooms said, with a captivating smile, "We are having this grand wedding ceremony thanks to the careful planning and organization of COSCO (Guangdong). We feel, and are grateful for, the great care COSCO (Guangdong) takes of its employees. This is the most romantic Christmas



The tender drilling rig is a vitness of our happi

The yard's party secretary ties

Darling, will you marry me?

COSCO ZHOUSHAN

Christmas: a time to rest, relax and have a good time!

A charming Christmas dinner party was held in the dining hall of COSCO (Zhoushan) Shipyard on December 24. Among the guests could be found our dearest customers and partners, as well as local celebrities and guests from the head office. What a party!

Full of great food, wine, toasts, games and flashlights and, of course, the best ever holiday band! Classic Christmas songs are interpreted in such a way that the guests just couldn't help swaying to the music!

Here comes the hilarious holiday band!





COSCO SHANGHAI

Christmas: a time to catch up with our friends!

Li Jiahai / COSCO (Shanghai) Shipyard

On December 24, the superintendent and the captain of "Cold Stream", a refrigerated carrier owned by our key customer Seatrade Groningen B.V, warmly invited us to their Christmas party.

The party was held in No.4 upper cargo hold of the vessel, which the crew had beautifully decorated and transformed into an open-air dance hall. There were speeches, a banquet and games and, despite the chilling December wind, we felt warm, happy and full of energy.

COSCO NANTONG

Happy birthday, and Merry Christmas

Wang Jing / COSCO (Nantong) Shipyard

In November 2010, MV "Red Rose" arrived in COSCO (Nantong) shipyard for a 14-day short-term repair; three years later, on December 15, 2013, the British owner, Goulandris Brothers, came to us again with the vessel "Rodon Amarandon". The main repair work included normal docking repairs, cargo hold sandblasting and painting, steel plate renewal and mechanical and electrical repair work. The planned repair period was also 14 days but, thanks to our meticulous planning and arrangements and our efficient repair team, the project was successfully completed within just 11 days. We appreciate the trust and support we received from the owner and the owner is very satisfied with every aspect of this project.

Through this repair, we met an old friend of ours, Mr. John James, who is a very experienced senior manager of the owner's company. On December 22, we had the honour of celebrating Mr. James' 52th birthday with him in a very special restaurant. Seated in a transparent, slowly rotating room at the top of the hotel overlooking the beautiful panorama of Nantong

city, we were surrounded by the night sky, illuminated by twinkling lights. The picture was inlaid with the Haohe River, which looked just like a pearly ribbon. When we lit the birthday candles for Mr. James, he told us happily that this was the first time he'd had a birthday dinner in a revolving restaurant, which made it very special; although he had to celebrate his birthday in a foreign country, he didn't feel the slightest bit lonely. We wished him a happy birthday and raised our wine glasses to toast the rare, valuable friendship that we have.

On Christmas Eve, everywhere was permeated with a festive spirit. We arranged a celebration banquet for our foreign friends in the Holiday Inn Hotel. We thanked the owner for their support in the past and expressed our sincere wishes for prosperous New Year. We toasted each other cheerfully and had a most enjoyable night.

