



江西銅業股份有限公司

JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

FIRST QUARTERLY REPORT FOR 2008

1 IMPORTANT NOTICE

- 1.1 The board of directors and the supervisory committee of Jiangxi Copper Company Limited (the “Company”) and its directors, supervisors and senior management warrant that there are no false representations, misleading statements contained in or material omissions from this report, and individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of the information herein contained.
- 1.2 All directors of the Company attended the Board meeting.
- 1.3 The Company’s first quarterly report was prepared in accordance with the People’s Republic of China accounting standards and was unaudited.
- 1.4 The Company’s Chairman, Li Yihuang and the principal accounting responsible person, Wu Jinxing, and Manager of Accounting Department (Accounting Chief), Qiu Ling, represent that they warrant the truthfulness and accuracy of the financial statements contained in the quarterly report.
- 1.5 This quarterly report is published pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2 CORPORATE INFORMATION

2.1 Major accounting data and financial indicators

			<i>Currency: RMB</i>
	As at the end of the reporting period	As at the end of last year	Increase/(decrease) as at the end of the reporting period as compared with the end of last year (%)
Total assets (<i>RMB</i>)	30,737,952,140	30,054,808,561	2.27
Shareholders' equity attributable to equity holders of the listed company (<i>RMB</i>)	19,395,262,654	18,138,389,318	6.93
Net assets per share attributable to equity holders of the listed company (<i>RMB</i>)	6.42	6.00	6.93
		From the beginning of the year to the end of the reporting period	Increase/(decrease) as compared with the same period last year (%)
Net cash flow from operating activities (<i>RMB</i>)		849,379,792	-51.53
Net cash flow from operating activities per share (<i>RMB</i>)		0.28	-53.58

	Reporting period	From the beginning of the year to the end of the reporting period	Increase/ (decrease) for the reporting period as compared with the corresponding period last year (%)
Net profit attributable to equity holders of the listed company (<i>RMB</i>)	1,257,211,755	1,257,211,755	46.42
Basic earnings per share (<i>RMB</i>)	0.42	0.42	44.83
Basic earnings per share after extraordinary profit and loss (<i>RMB</i>)	0.42	0.42	44.83
Return on net assets (fully diluted) (%)	6.48	6.48	Increased by 1.75 percentage points
Return on net assets after extraordinary profit and loss (fully diluted) (%)	6.48	6.48	Increased by 1.75 percentage points

Extraordinary items	Amount from the beginning of the year to the end of the reporting period (RMB)
Profit and loss from disposal of non-current assets	487,594
Government subsidy included into current profit and loss (excluding those closely related to the business of the Company and enjoyed fixed amount or quantity of government subsidy according to state uniform standards)	1,633,430
Net non-operating income/expenses other than above items	-245,831
Income tax impact	359,639
Total	<u><u>2,234,832</u></u>

2.2 Total number of shareholders and top ten holders of shares not subject to trading moratorium and their respective shareholdings at the end of the reporting period

Unit: Share

Total number of shareholders at the end of the reporting period The Company had 140,115 shareholders in total, of which 132,368 were holders of A shares, 7,747 were holders of H shares.

Shareholdings of the top ten holders of tradable shares not subject to trading moratorium

Name of shareholder (full name)	Number of tradable shares not subject to trading moratorium as at the end of the reporting period	Class
HKSCC Nominees Limited	1,379,140,900	Overseas listed foreign shares (H shares)
Boshi Value Growth Fund (博時價值增長基金)	10,998,911	Ordinary shares denominated in RMB (A shares)
Guangfa Jufeng Equity Fund (廣發聚豐股票型基金)	9,793,394	Ordinary shares denominated in RMB (A shares)
Guangfa Small Cap Growth Fund (廣發小盤成長基金)	5,167,905	Ordinary shares denominated in RMB (A shares)
Changxin Profitial Trend Fund (長信金利趨勢基金)	3,412,248	Ordinary shares denominated in RMB (A shares)

Yifangda 50 Index Fund (易方達50指數基金)	3,299,930	Ordinary shares denominated in RMB (A shares)
Greatwall Anxin Return Fund (長城安心回報基金)	2,637,844	Ordinary shares denominated in RMB (A shares)
Baoying Strategic Growth Equity Fund (寶盈策略增長基金)	2,604,989	Ordinary shares denominated in RMB (A shares)
Boshi New Growth Fund (博時新興成長基金)	2,499,910	Ordinary shares denominated in RMB (A shares)
Everbright Pramerica Advantage Allocation Fund (光大保德信優勢配置基金)	2,390,632	Ordinary shares denominated in RMB (A shares)

3 SIGNIFICANT EVENTS

3.1 Material changes in items of major accounting statements and financial indicators of the Company and the reason thereof

Applicable Not Applicable

1. Material changes in major items of Balance Sheet and the reason thereof

Unit: RMB

Item	Consolidated		Comparison between the end of the period and the beginning of the year	
	Balance as at the end of the period	Balance as at the beginning of the year	Increase/ decrease	Percentage of Increase (decrease) (%)
Accounts receivable	2,283,711,475	1,703,882,289	579,829,186	34.03
Advance to suppliers	1,483,294,927	1,076,252,061	407,042,866	37.82
Construction in progress	1,656,345,216	1,236,600,955	419,744,261	33.94
Advance from customers	342,979,929	232,819,117	110,160,812	47.32

- 1) Increase in accounts receivables was mainly due to increase in receivables for copper cathode and sulphuric acid at the end of the period.
- 2) Increase in advance to suppliers was mainly due to increase of advance payment for materials due to price hike of raw materials and increase in procurement during the reporting period.
- 3) Increase in construction in progress was mainly due to increase in project investment including Dexing Copper Mine expansion, expansion of capacity of Wushan Copper Mine and the conversion of the open-pit to underground mining of Yongping Copper Mine.

- 4) Increase in advance from customers is mainly due to advance receipt of deposit from certain customers by the Company due to price hike of products during the reporting period.

2. Significant changes in major items of income statement and the reason thereof

Unit: RMB

Item	Consolidated		Comparison between the period and the same period last year	
	Amount for the reporting period	Amount for the same period last year	Increase/decrease	Percentage of Increase (decrease) (%)
1) Operating revenue	11,887,425,030	7,961,232,507	3,926,192,523	49.32
2) Operating cost	9,894,671,204	6,735,601,766	3,159,069,438	46.90
3) Business tax and surcharges	56,049,164	13,703,154	42,346,010	309.02
4) Finance expenses	65,469,112	42,782,456	22,686,656	53.03
5) Operating profit	1,724,892,615	1,041,612,734	683,279,881	65.60
6) Total profit	1,726,331,172	1,039,663,108	686,668,064	66.05
7) Income tax expense	462,691,109	159,200,071	303,491,038	190.64
8) Net profit	1,263,640,063	880,463,037	383,177,026	43.52
9) Net profit attributable to equity holders of the Company	1,257,211,755	858,655,651	398,556,104	46.42

- 1) Increase in operating revenue was mainly due to the price hike of major products of the Company and increase in sales volume of copper cathode and sulphuric acid.
- 2) Increase in operating cost was mainly due to the increase in procurement cost arising from the increase in production volume of copper cathode and sulphuric acid as well as increased percentage and price hike of purchased raw materials for copper cathode.
- 3) Increase in business tax and surcharges was mainly due to the increase in resource tax expenses as a result of increased national resource tax rate.
- 4) Increase in finance expenses was mainly due to the increase of occupation of funds attributable to the increase in production volume of the Company and purchased raw materials and the upward adjustment of bank loan ratio.
- 5) Operating profit, total profit, net profit and net profit attributable to equity holders of the Company were mainly due to the price hike of the products of the Company.
- 6) Increase in income tax expense was mainly due to the increase of profit and income tax rate.

3.2 Analysis and explanation of progress and impact of significant events and their solutions

Applicable Not Applicable

3.3 Performance of undertakings by the Company, shareholder and ultimate controller

Applicable Not Applicable

As undertaken by Jiangxi Copper Corporation (“JCC”), the controlling shareholder of the Company, for the non-public issue of A shares in 2007, the shares of the Company subscribed by JCC through the non-public issue and the shares originally held by JCC shall not be transferred within 36 months from the completion date of the non-public issue of A shares (i.e., the period from 28 September 2007 to 27 September 2010).

As at the end of the reporting period, JCC has not transferred any share in the Company.

3.4 Warning and explanation in the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of next reporting period or any material changes compared to the corresponding period of last year

Applicable Not Applicable

3.5 Particulars on securities investment

Applicable Not Applicable

Jiangxi Copper Company Limited

Legal representative: **Li Yihuang**

22 April 2008

As at the date of this report, the executive directors of the Company are Mr. Li Yihuang, Mr. Li Baomin, Mr. Wang Chiwei, Mr. Long Ziping, Mr. Wu Jinxing, Mr. Gao Jianmin, Mr. Liang Qing and the independent non-executive directors of the Company are Mr. Kang Yi, Mr. Yin Hongshan, Mr. Tu Shutian and Ms. Zhang Rui.

4 APPENDIX

4.1 Consolidated Balance Sheets

31 March 2008

*Prepared by: Jiangxi Copper Company Limited
Unit: RMB Currency: RMB Unaudited*

Item	At the end of the period	At the beginning of the year
Current assets:		
Bank balances and cash	2,648,044,493	2,753,091,382
Notes receivable	2,575,445,836	2,824,293,880
Accounts receivable	2,283,711,475	1,703,882,289
Advance to suppliers	1,483,294,927	1,076,252,061
Other receivables	313,848,741	366,862,217
Inventories	8,876,988,280	8,939,919,228
Other current assets	25,577,254	54,703,559
Total current assets	18,206,911,006	17,719,004,616
Non-current assets:		
Available-for-sale financial assets	290,000,000	290,000,000
Long-term equity investments	648,262,881	648,758,765
Fixed assets	9,236,673,319	9,427,742,279
Construction in progress	1,656,345,216	1,236,600,955
Intangible assets	664,177,545	653,263,989
Deferred income tax assets	35,582,173	79,437,957
Total non-current assets	12,531,041,133	12,335,803,945
Total assets	30,737,952,140	30,054,808,561

Current liabilities:

Short term loans	6,725,807,140	7,012,556,702
Notes payable		249,921,676
Accounts payable	1,768,565,666	1,694,783,773
Advance from customers	342,979,929	232,819,117
Payroll payable	50,312,789	206,323,048
Taxes payable	576,816,072	575,149,324
Interests payable	19,103,581	46,844,169
Dividends payable	25,664,000	3,227,511
Other payables	507,193,209	525,067,796
Accrued expenses	32,612,615	
Non-current liabilities		
due within one year	473,046,000	524,433,261
Total current liabilities	10,522,101,001	11,071,126,377

Non-current liabilities:

Long-term loans	316,334,000	402,046,000
Long-term payables	116,069,609	48,803,863
Provision	48,224,000	48,224,000
Deferred income tax liabilities		5,779,260
Other non-current liabilities	93,003,515	96,286,946
Total non-current liabilities	573,631,124	601,140,069
Total liabilities	11,095,732,125	11,672,266,446

Owners' equity**(or shareholders' equity):**

Paid-up (share) capital	3,022,833,727	3,022,833,727
Capital reserves	4,613,812,761	4,613,812,761
Surplus reserves	5,163,553,020	5,163,553,020
Undistributed profits	6,599,492,169	5,342,280,409
Currency conversion difference	-4,429,023	-4,090,599
Total equity attributable to the equity holders of the Company	19,395,262,654	18,138,389,318
Minority interests	246,957,361	244,152,798
Total owners' equity	19,642,220,015	18,382,542,116
Total liabilities and owners' equity	30,737,952,140	30,054,808,561

Company's legal
representative:
Li Yihuang

Principle accounting
responsible person:
Wu Jinxing

Manager of
Accounting Department:
Qiu Ling

Balance Sheets of the Company

31 March 2008

Prepared by: Jiangxi Copper Company Limited

Unit: RMB Currency: RMB Unaudited

Item	At the end of the period	At the beginning of the year
Current assets:		
Bank balances and cash	2,288,588,286	2,186,547,620
Notes receivable	2,494,477,706	2,785,852,908
Accounts receivable	1,800,689,850	1,213,919,258
Prepayment	1,715,498,656	954,994,863
Other receivables	308,212,910	313,540,206
Inventories	8,746,749,341	8,780,300,515
Other current assets	24,841,537	22,596,559
Total current assets	17,379,058,286	16,257,751,929
Non-current assets:		
Available-for-sale financial assets	280,000,000	280,000,000
Long-term equity investments	1,488,306,047	1,506,504,940
Fixed assets	8,383,210,867	8,527,514,839
Construction in progress	1,635,835,307	1,231,789,995
Intangible assets	635,641,184	621,065,567
Deferred income tax assets	35,177,280	70,612,658
Total non-current assets	12,458,170,685	12,237,487,999
Total assets	29,837,228,971	28,495,239,928

Current liabilities:

Short term loans	6,569,307,140	6,832,712,240
Notes payable		249,921,676
Accounts payable	1,374,809,258	1,129,953,365
Advance from customers	289,226,045	167,084,256
Payroll payable	43,556,761	186,779,498
Taxes payable	557,288,782	530,053,356
Interests payable	19,103,581	46,844,169
Other payables	876,054,743	449,232,036
Accrued expenses	12,442,874	
Non-current liabilities		
due within one year	473,046,000	493,433,261
Total current liabilities	10,214,835,184	10,086,013,857

Non-current liabilities:

Long-term loans	217,334,000	303,046,000
Long-term payables	113,870,688	43,868,654
Provision	48,224,000	48,224,000
Other non-current liabilities	93,003,514	94,636,945
Total non-current liabilities	472,432,203	489,775,600
Total liabilities	10,687,267,386	10,575,789,456

Owners' equity**(or shareholders' equity):**

Paid-up (share) capital	3,022,833,727	3,022,833,727
Capital reserves	4,619,183,609	4,619,183,609
Surplus reserves	5,145,125,772	5,145,125,770
Undistributed profits	6,362,818,477	51,332,307,366
Total owners' equity		
(or shareholders' equity)	19,149,961,585	17,919,450,472
Total liabilities and owners' equity		
(or shareholders' equity)	29,837,228,971	28,495,239,928

Company's legal
representative:
Li Yihuang

Principle accounting
responsible person:
Wu Jinxing

Manager of
Accounting Department:
Qiu Ling

4.2 Consolidated Income Statement

From January to March 2008

Unit: RMB Currency: RMB Unaudited

Item	Amount for the reporting period	Amount for the period last year
I. Total Revenue	11,887,425,030	7,961,232,507
Including: Operating revenue	11,887,425,030	7,961,232,507
II. Total cost	10,162,120,979	6,918,157,517
Including: Operating cost	9,894,671,204	6,735,601,766
Business tax and surcharges	56,049,164	13,703,154
Selling and distribution costs	37,423,042	29,988,404
Administrative expenses	108,508,456	96,081,736
Finance expenses	65,469,112	42,782,456
Loss of assets impairment		
Add: Investments income		
(Loss is represented by “-”)	-411,437	-1,462,256
Including: Share of investment income of associates and joint venture	-411,437	-1,462,256
III. Operating profit		
(Loss is represented by “-”)	1,724,892,615	1,041,612,734
Add: Non-operating income	3,634,910	262,410
Less: Non-operating expenses	2,196,353	2,212,036
Including: Net loss on disposal of non-current assets	487,594	54,358
IV. Total profit		
(Total loss is represented by “-”)	1,726,331,172	1,039,663,108
Less: Income tax expense	462,691,109	159,200,071
V. Net profit		
(Net loss is represented by “-”)	1,263,640,063	880,463,037
Net profit attributable to equity holders of the Company	1,257,211,755	858,655,651
Minority interests	6,428,309	21,807,386

VI. Earnings per share

(I) Basic earnings per share **0.42** 0.29

Company's legal representative: Li Yihuang	Principle accounting responsible person: Wu Jinxing	Manager of Accounting Department: Qiu Ling
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Income Statement of the Company

From January to March 2008

Unit: RMB Currency: RMB Unaudited

Item	Amount for the reporting period	For the same period last year
I. Operating revenue	11,397,477,749	7,721,047,544
Less: Operating cost	9,468,862,585	6,601,203,441
Business tax and surcharges	55,554,314	13,039,647
Selling and distribution costs	26,944,234	20,548,640
Administrative expenses	98,334,123	76,014,486
Finance expenses	60,283,328	40,135,880
Loss of assets impairment		
Add: Investments income		
(Loss is represented by "-")	-325,395	388,796
Including: Share of investment income of associates and joint venture	-411,437	-1,462,256
II. Operating profit		
(Loss is represented by "-")	1,687,173,769	970,494,245
Add: Non-operating income	2,242,673	159,610
Less: Non-operating expenses	1,487,469	1,840,028
Including: Net loss on disposal of non-current assets	462,074	54,358

III. Total profit		
(Total loss is represented by “-”)	1,687,928,973	968,813,827
Less: Income tax expense	457,417,861	155,980,215
IV. Net profit		
(Net loss is represented by “-”)	1,230,511,112	812,833,612
Company’s legal representative: Li Yihuang	Principle accounting responsible person: Wu Jinxing	Manager of Accounting Department: Qiu Ling

4.3 Consolidated Cash Flow Statement

From January to March 2008

Unit: RMB Currency: RMB Unaudited

Item	Amount for the reporting period	Amount for the same period last year
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	15,450,333,170	9,333,483,917
Cash received relating to other operating activities	59,847,700	124,293,069
Sub-total of cash inflows from operating activities	15,510,180,870	9,457,776,986
Cash paid for goods and services	13,381,998,496	6,891,435,399
Cash paid to and on behalf of employees	271,099,774	144,816,026
Cash paid for all types of taxes	904,861,532	656,508,734
Cash paid relating to other operating activities	102,841,276	12,668,278
Sub-total of cash outflows from operating activities	14,660,801,078	7,705,428,437
Net cash flow from operating activities	849,379,792	1,752,348,549

II. Cash flows from investing activities:

Cash received from investments		20,091,000
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	98,000	42,423
Cash received relating to other investing activities		9,247,007
Sub-total of cash inflows from investment activities	98,000	29,380,430
Cash paid for acquiring of fixed assets, intangible assets and other long-term assets	410,808,474	620,411,550
Cash paid for acquisition of investments		66,000,000
Net cash paid for the acquisition of subsidiaries and other business entities		76,000
Sub-total of cash outflows from investment activities	410,808,474	686,487,550
Net cash flows from investing activities	-410,710,474	-657,107,120

III. Cash flows from financing activities:

Cash received from borrowings	4,051,633,813	38,000,000
Cash received from issuing bonds		1,000,000,000
Cash received relating to other financing activities	93,476	907,519
Subtotal of cash inflows from financing activities	4,051,727,289	1,038,907,519
Cash paid for repayments of borrowings	4,475,482,636	1,656,210,000
Cash paid for distribution of dividends or profits or payment of interest expenses	119,945,987	41,731,338
Cash paid relating to other financing activities	14,874	8,656
Subtotal of cash outflows from financing activities	4,595,443,497	1,697,949,994
Net cash flows from financing activities	-543,716,208	-659,042,475

IV. Effect on cash and cash equivalents due to changes in foreign exchange rate	—	—
V. Net increase in cash and cash equivalents	-105,046,890	436,198,954
Add: Cash and cash equivalent at the beginning of the period	2,753,091,382	1,016,976,019
VI. Cash and cash equivalents at the end of the period	2,648,044,492	1,453,174,973
Company's legal representative: Li Yihuang	Principle accounting responsible person: Wu Jinxing	Manager of Accounting Department: Qiu Ling

Cash Flow Statement of the Company

From January to March 2008

Unit: RMB Currency: RMB Unaudited

Item	Amount for the reporting period	Amount for the same period last year
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	15,022,707,756	9,196,861,143
Cash received relating to other operating activities	5,052,768	111,331,260
Sub-total of cash inflows from operating activities	15,027,760,524	9,308,192,403
Cash paid for goods and services	12,934,881,621	7,002,668,900
Cash paid to and on behalf of employees	255,336,283	135,601,530
Cash paid for all types of taxes	860,228,600	624,701,673
Cash paid relating to other operating activities		6,438,182
Sub-total of cash outflows from operating activities	14,050,446,504	7,769,410,285
Net cash flow from operating activities	977,314,020	1,538,782,118

II. Cash flows from investing activities:		
Cash received from return on investments	86,042	1,851,052
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	98,000	—
Sub-total of cash inflows from investment activities	184,042	1,851,052
Cash paid for acquiring of fixed assets, intangible assets and other long-term assets	395,290,843	612,486,795
Cash paid for acquisition of investments	—	36,000,000
Sub-total of cash outflows from investment activities	395,290,843	648,486,795
Net cash flows from investing activities	-395,106,801	-646,635,743
III. Cash flows from financing activities:		
Cash received from borrowings	4,013,633,813	20,000,000
Cash received from issuing bonds	—	1,000,000,000
Subtotal of cash inflows from financing activities	4,013,633,813	1,020,000,000
Cash paid for repayments of borrowings	4,383,138,174	1,496,710,000
Cash paid for distribution of dividends or profits or payment of interest expenses	110,662,192	26,404,686
Subtotal of cash outflows from financing activities	4,493,800,366	1,523,114,686
Net cash flows from financing activities	-480,166,553	-503,114,686
IV. Effect on cash and cash equivalents due to changes in foreign exchange rate		
V. Net increase in cash and cash equivalents	102,040,666	389,031,688
Add: Cash and cash equivalent at the beginning of the period	2,186,547,620	515,988,371
VI. Cash and cash equivalents at the end of the period	2,288,588,286	905,020,059

Company's legal
representative:
Li Yihuang

Principle accounting
responsible person:
Wu Jinxing

Manager of
Accounting Department:
Qiu Ling