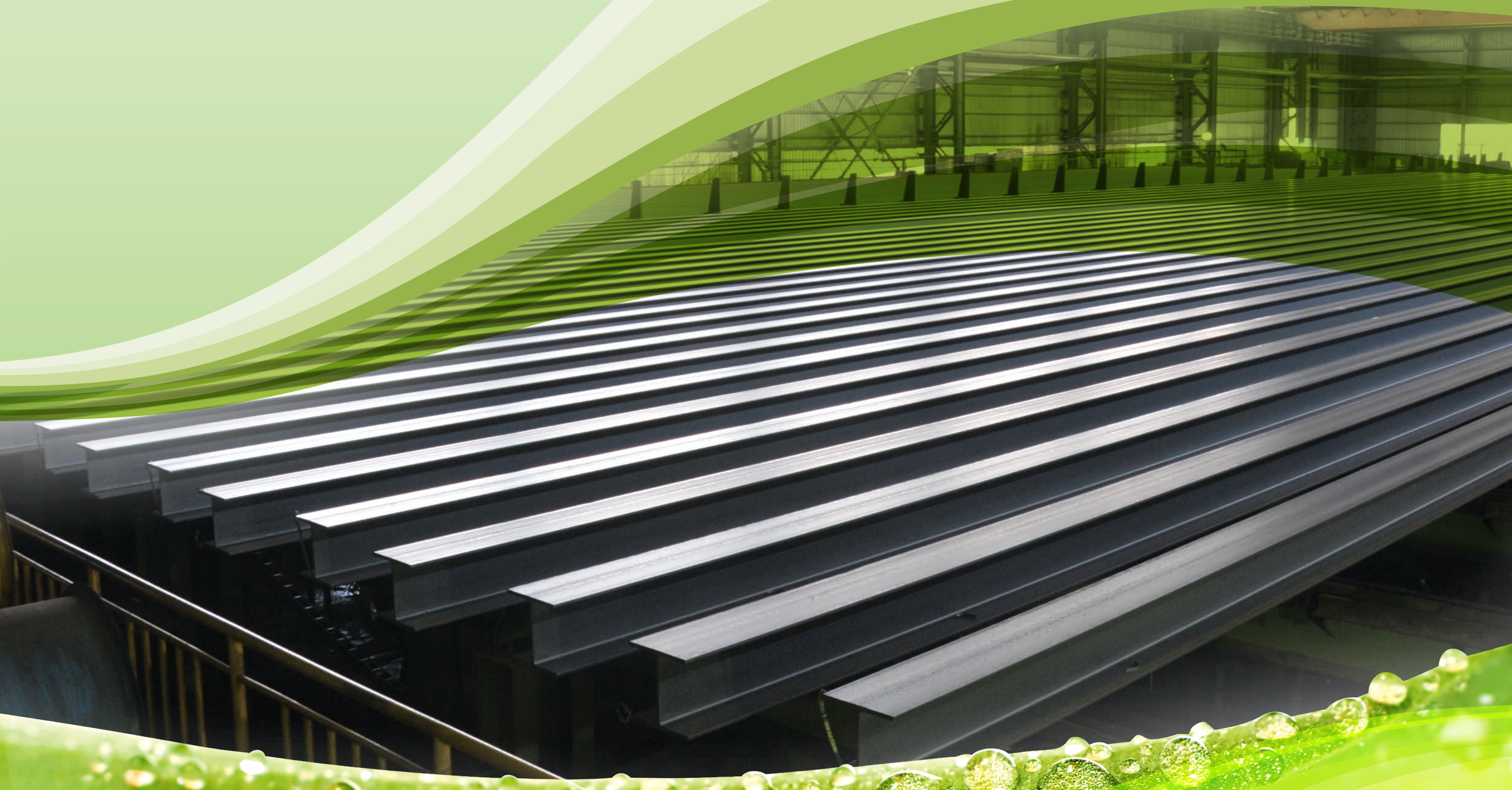
CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*

(Incorporated in Bermuda with limited liability)
(在百慕達註冊成立的有限公司)
(Stock Code: 581)
(股份代號：581)



2011
INTERIM REPORT 中期報告

* For identification purposes only
僅供識別

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財務總結

		For the six months ended 30 June Unaudited Consolidated 截至六月三十日止六個月 未經審核合併		
		2009 二零零九年 (RMB million) （人民幣百萬元）	2010 二零一零年 (RMB million) （人民幣百萬元）	**2011 二零一一年 (RMB million) （人民幣百萬元）**
Revenue	收入	9,175	15,350	**19,652**
Gross Profit	毛利	754	1,396	**1,988**
EBITDA[1]	扣除所得稅、財務淨成本、折舊及攤銷前溢利[1]	996	1,668	**2,263**
Profit before income tax	除所得稅前溢利	540	1,158	**1,752**
Profit for the period	期內溢利	394	872	**1,295**
Profit for the period attributable to owners of the Company	期內本公司權益持有者應佔溢利	358	798	**1,155**
Basic Earnings per share (RMB)	每股基本收益（人民幣元）	0.12	0.27	**0.39**

		As at 於		
		31 December 2009 二零零九年 十二月三十一日 Audited Consolidated 經審核合併 (RMB million) （人民幣百萬元）	31 December 2010 二零一零年 十二月三十一日 Audited Consolidated 經審核合併 (RMB million) （人民幣百萬元）	**30 June 2011 二零一一年 六月三十日 Unaudited Consolidated 未經審核合併 (RMB million) （人民幣百萬元）**
Net Assets	淨資產值	7,461	8,520	**9,667**
Total Assets	總資產	15,189	20,742	**22,790**
Net Assets value per share (excluding non-controlling interests) (RMB)	每股淨資產值（豁除非控制性權益）（人民幣）	2.45	2.75	**3.08**

1 The Company defines EBITDA as profit for the period before finance costs-net, amortisation of intangible assets, amortisation of leasehold land and land use rights, income tax expense and depreciation.

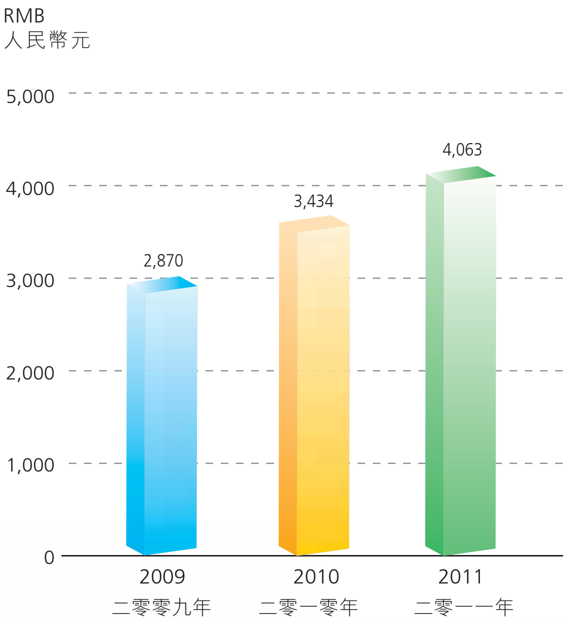
1 本公司對EBITDA的定義為未扣除財務淨成本、無形資產攤銷、租賃土地及土地使用權攤銷、所得稅費用及折舊前之本期間的溢利。

Financial Highlights
財務摘要

AVERAGE SELLING PRICE AND GROSS PROFIT/(LOSS) PER TONNE
每噸平均銷售單價及毛利╱（毛虧）

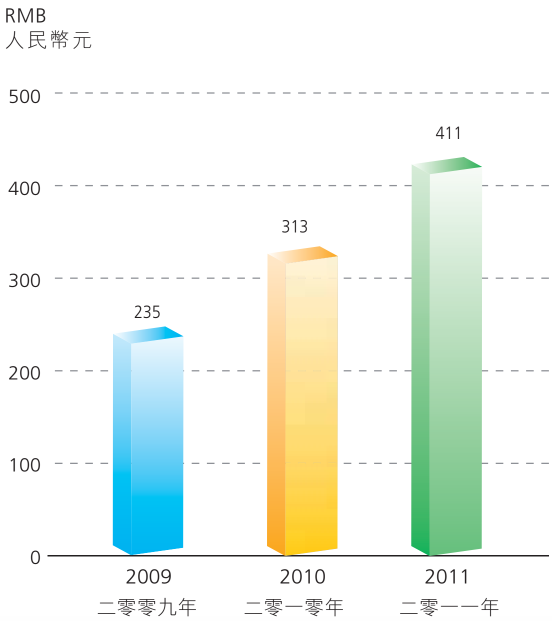
		For the six months ended 30 June Unaudited Consolidated 截至六月三十日止六個月 未經審核合併		
		2009 二零零九年 (RMB) （人民幣元）	2010 二零一零年 (RMB) （人民幣元）	**2011 二零一一年 (RMB) （人民幣元）**
Average Selling Price per Tonne	每噸平均銷售單價	2,870	3,434	**4,063**
Gross Profit/(Loss) per Tonne	每噸毛利╱（毛虧）			
H-section steel	H型鋼	129	417	**518**
Strips and strip products	帶鋼及帶鋼類產品	308	301	**360**
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	(173)	228	**189**
Billets	鋼坯	317	197	**340**
Rebar	螺紋鋼	N/A不適用	N/A不適用	**410**
Combined	綜合	235	313	**411**

Average Selling Price per Tonne
每噸平均銷售單價



For the six months ended 30 June
截至六月三十日止六個月

Average Gross Profit per Tonne
每噸平均毛利



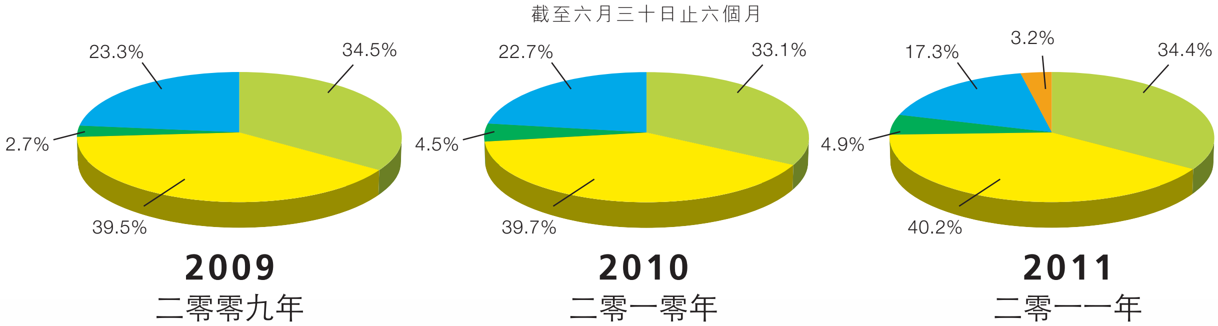
For the six months ended 30 June
截至六月三十日止六個月

Financial Highlights
財務摘要

SALES VOLUME BY PRODUCTS 按產品種類劃分之銷售量

		For the six months ended 30 June Unaudited Consolidated 截至六月三十日止六個月 未經審核合併		
		2009 二零零九年 ('000 tonnes) (千噸)	2010 二零一零年 ('000 tonnes) (千噸)	**2011** **二零一一年** **('000 tonnes)** **(千噸)**
H-section steel	H型鋼	1,103	1,481	**1,663**
Strips and strip products	帶鋼及帶鋼類產品	1,261	1,772	**1,944**
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	87	202	**238**
Billets	鋼坯	743	1,015	**836**
Rebar	螺紋鋼	N/A不適用	N/A不適用	**156**
Combined	綜合	3,194	4,470	**4,837**

Sales Volume by Products
按產品種類劃分之銷售量
For the six months ended 30 June
截至六月三十日止六個月



H-section steel products H型鋼產品
Strips and strip products 帶鋼及帶鋼類產品
Rebar 螺紋鋼
Billets 鋼坯
Cold rolled sheets and galvanised sheets 冷軋板及鍍鋅板

Corporate Information
公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Han Jingyuan
(Chairman and Chief Executive Officer)
Mr. Zhu Jun
(Executive Deputy General Manager and Chief Operating Officer)
Mr. Liu Lei
(Deputy General Manager)
Mr. Shen Xiaoling
(Deputy General Manager and Chief Financial Officer)
Mr. Zhu Hao
Mr. Muktesh Mukherjee
(Deputy General Manager)

Non-executive Directors

Mr. Ondra Otradovec
Mr. Jean-Paul Georges Schuler
(resigned on 24 February 2011)
Mr. Vijay Kumar Bhatnagar
(appointed on 24 February 2011)

Independent Non-executive Directors

Mr. Gao Qingju
Mr. Yu Tung Ho
Mr. Wong Man Chung, Francis

COMPOSITION OF BOARD COMMITTEE

AUDIT COMMITTEE

Mr. Wong Man Chung, Francis *(Chairman)*
Mr. Gao Qingju
Mr. Yu Tung Ho

REMUNERATION COMMITTEE

Mr. Han Jingyuan *(Chairman)*
Mr. Gao Qingju
Mr. Yu Tung Ho
Mr. Wong Man Chung, Francis

AUTHORISED REPRESENTATIVE

Mr. Liu Lei
(resigned on 14 January 2011)
Mr. Zhu Hao
(appointed on 14 January 2011)
Mr. Au Yeung Siu Kei
(resigned on 28 April 2011)
Mr. Lee Hang Tat
(appointed on 28 April 2011)

董事局

執行董事

韓敬遠先生
(董事局主席兼首席執行官)
朱軍先生
(常務副總經理兼首席運營官)
劉磊先生
(副總經理)
沈曉玲先生
(副總經理兼首席財務官)
朱浩先生
Muktesh Mukherjee先生
(副總經理)

非執行董事

Ondra Otradovec先生
Jean-Paul Georges Schuler先生
(於二零一一年二月二十四日辭任)
Vijay Kumar Bhatnagar先生
(於二零一一年二月二十四日委任)

獨立非執行董事

高清舉先生
余統浩先生
黃文宗先生

董事委員會

審核委員會

黃文宗先生*(主席)*
高清舉先生
余統浩先生

薪酬委員會

韓敬遠先生*(主席)*
高清舉先生
余統浩先生
黃文宗先生

授權代表

劉磊先生
(於二零一一年一月十四日辭任)
朱浩先生
(於二零一一年一月十四日委任)
歐陽兆基先生
(於二零一一年四月二十八日辭任)
李行達先生
(於二零一一年四月二十八日委任)

Corporate Information
公司資料

COMPANY SECRETARY
Mr. Au Yeung Siu Kei
(resigned on 28 April 2011)
Mr. Lee Hang Tat
(appointed on 28 April 2011)

REGISTERED OFFICE
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Suites 901-2 & 10, 9th Floor, Great Eagle Centre
23 Harbour Road
Wanchai, Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE
Butterfield Fulcrum Group (Bermuda) Limited

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Tricor Investor Services Limited

AUDITOR
PricewaterhouseCoopers

COMPANY'S WEBSITE
www.chinaorientalgroup.com

PRINCIPAL BANKERS (IN ALPHABETICAL ORDER)
Agricultural Bank of China
Bank of China
Bank of Communications
China Construction Bank
China Merchants Bank
China Minsheng Bank
DBS
HSBC
ICBC (Asia)
Shenzhen Development Bank

公司秘書
歐陽兆基先生
（於二零一一年四月二十八日辭任）
李行達先生
（於二零一一年四月二十八日委任）

註冊辦事處
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港主要營業地點
香港灣仔
港灣道23號
鷹君中心9樓901-2及10室

百慕達主要股份過戶登記處
Butterfield Fulcrum Group (Bermuda) Limited

股份過戶登記處香港分處
卓佳證券登記有限公司

核數師
羅兵咸永道會計師事務所

公司網址
www.chinaorientalgroup.com

主要往來銀行（按英文次序排列）
中國農業銀行
中國銀行
交通銀行
中國建設銀行
中國招商銀行
中國民生銀行
星展銀行
滙豐銀行
中國工商銀行（亞洲）
深圳發展銀行

Management Discussion and Analysis
管理層討論與分析

The Group reported a satisfactory growth in its sales and results for the first half of 2011as compared with that of the corresponding period in 2010.

本集團二零一一年上半年的銷售及業績比二零一零年同期有較理想的增長。

During the first half of Year 2011, conditions in the steel industry remained volatile. In anticipation of a global economic review, steel prices moved up in the beginning of the year and this trend continued through most of first half of Year 2011 with a brief softening happening in March 2011. The impact of the implementation of stable monetary policies by the PRC government emerged from June onwards and the prices are now relatively stable.

於二零一一年上半年，國內鋼鐵行業環境持續波動。年初時，受到環球經濟所影響，鋼材價格持續上升，雖然在3月份時輕微回軟，這趨勢在二零一一年上半年也能大致維持，在六月份時因中國政府的穩健貨幣政策效應逐步浮現，鋼材價格再進入相對穩定局面。

As compared with the first half of Year 2010, the demand for steel products increased as a result of better global economic conditions. With the prices of iron ore and coking coal remaining at a high level, the gradual withdrawal of economic stimulus policies imposed by the PRC government on sectors such as motors, machines, ship building and electrical appliances, the persistent tightening of the monetary policies globally, together with the impact of the earthquake of Japan on the global economies, the steel production industries in the PRC still faces severe challenges.

與二零一零年上半年比較，在全球經濟條件較好地復甦環境下，鋼鐵產品需求有所上升，但面對鐵礦石、焦煤等主要原材料價格處於高水平，同時國內汽車、機械、造船及家電等行業在中國政府刺激政策逐漸退出及全球持續收緊的貨幣政策，加上日本地震對全球經濟影響逐漸浮現，對國內鋼鐵企業仍然構成嚴峻的挑戰。

During the first half of Year 2011, the iron ore and coking coal markets continued to be volatile. The management of the Company and its subsidiaries (the “Group”) will closely monitor the market situation, strictly control the Group’s inventory level and adjust the purchasing strategy when needed.

二零一一年上半年，鐵礦石及焦煤市場持續波動，本公司及其附屬公司(「本集團」)管理層會密切留意市場變化，嚴格監控本集團的庫存量及適時調整採購策略。

Management Discussion and Analysis
管理層討論與分析

The Group continues to make investments which can improve production efficiencies, eliminate inefficient production capacity and improve energy efficiency. The Group has also implemented different policies to control costs and increase our employees' motivation.

本集團亦持續投資以改善生產效率、淘汰低效率設備及改善能源效益。同時亦繼續實施多項措施以控制成本及提高員工的積極性。

The Group continued to be a market leader in the PRC for H-section steels. During the six months ended 30 June 2011, the Group sold 1.66 million tonnes of H-section steels.

本集團繼續領導中國的H型鋼市場。截至二零一一年六月三十日止六個月，本集團共售出166萬噸H型鋼產品。

The Group focused on developing high end products through improved research and development efforts. The Group also worked with the universities in the PRC in improving product quality.

本集團透過在研發的努力，銳意發展高附加值產品，同時也與國內大學合作改善產品質素。

The property development project, named Donghu Bay, located in Tangshan City, Hebei province fulfilled the pre-sale condition in April 2011. Sale of part of the flats on the market also commenced.

本集團於河北省唐山市的「東湖灣」項目於二零一一年四月份符合預售條件，部份單位開始銷售。

Management Discussion and Analysis
管理層討論與分析

The Group has issued US$850 million senior notes in the second half of Year 2010. The proceeds from senior notes has improved our financial position. It also provided ample cash reserves for improving production facilities and making potential investments.

本集團在二零一零年下半年發行總額8.5億美元優先票據，該等所得款項除可改善本集團財務狀況外，也可為日後本集團在改善生產設施及作適當收購預留充足現金儲備。

The Group adopts the strategies of receiving bank acceptance notes from customers for increasing gross profit. The settlement of the notes receivables were guaranteed by banks with maturity dates within six months and the credit risks in respect of the notes receivables are considered to be low. The Group also uses foreign currency trade payable finance as a means to reduce the finance costs and gain potential Renminbi appreciation against US Dollars.

本集團採用向客戶收取承兑匯票的策略以增加銷售毛利，應收票據到期日為六個月內，其結算由銀行擔保，應收票據的信貸風險被視為較低，本集團也利用外幣應付賬貿易融資來降低財務成本及賺取人民幣兑美元潛在升值利潤。

For the six months ended 30 June 2011, the Group recorded revenues of RMB 19,652 million, representing an increase of 28.0% as compared with that of the corresponding period in the prior year. Given the increase in revenues and its effective cost control measures, the Group sustained growth in its operating profit in the first half of Year 2011 when compared with that of the corresponding period in the prior year. During the period under review, the operating profit and profit for the period attributable to equity holders of the Company has increased by 47.5% and 44.7%, respectively, as compared with those of the corresponding period last year.

截至二零一一年六月三十日止六個月，本集團錄得收入為人民幣196.52億元，較去年同期增加28.0%。在收入增加及成本控制得宜的情況下，本集團於二零一一年上半年的經營溢利較去年同期錄得持續增長。於回顧期內，經營溢利及期內本公司權益持有者應佔溢利分別較去年同期增加47.5%及44.7%。

Since the Group introduced the world's largest steel corporation ArcelorMittal as its strategic shareholder in 2008, collaboration between the Group and ArcelorMittal has grown considerably. ArcelorMittal appointed experienced executives to the Board to participate in decision making for the Group's business development. Technicians and management staff from ArcelorMittal were sent to our production sites on a regular basis to inspect their operations and provide professional advice. Close collaboration is maintained for improving product quality.

本集團自二零零八年引入全球最大的鋼鐵企業安賽樂米塔爾為策略股東後，雙方的緊密合作不斷深化。安賽樂米塔爾除委派資深行政人員加入本集團董事局，參與本集團業務發展決策外，並定期派譴技術及管理人員到我們的生產基地視察營運狀況和提供專業意見，在產品品質提升方面作緊密交流。

Business and Financial Review
業務和財務概覽

BUSINESS REVIEW

業務回顧

Sales Volume

銷售量

In the first half of Year 2011, the Group's total sales volume was 4.84 million tonnes (2010 corresponding period: 4.47 million tonnes), representing an increase of approximately 8.2%.

二零一一年上半年本集團總銷售量為484萬噸（二零一零年同期：447萬噸），上升約8.2%。

The Group's sales volume breakdown during the period was as follows:

本集團於期內銷售量如下：

		For the six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		
		Sales volume 銷售量 ('000 tonnes) （千噸）		Sales volume 銷售量 ('000 tonnes) （千噸）		Changes in Sales volume 銷售量變化
H-Section steel	H型鋼	**1,663**	**34.4%**	1,481	33.1%	12.3%
Strips and strip products	帶鋼及帶鋼類產品	**1,944**	**40.2%**	1,772	39.7%	9.7%
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	**238**	**4.9%**	202	4.5%	17.8%
Billets	鋼坯	**836**	**17.3%**	1,015	22.7%	(17.6%)
Rebar	螺紋鋼	**156**	**3.2%**	N/A 不適用	N/A 不適用	N/A 不適用
Total	合計	**4,837**	**100.0%**	4,470	100.0%	8.2%

Business and Financial Review
業務和財務概覽

Revenue

Revenue of the Group in the first half of Year 2011 was RMB 19,652 million (2010 corresponding period: RMB 15,350 million), representing an increase of approximately 28.0%

The Group's revenue breakdown and average selling price by product (excluding value added tax) during the periods were as follows:

銷售額

二零一一年上半年本集團總銷售額為人民幣196.52億元(二零一零年同期：人民幣153.50億元)，增長約28.0%。

本集團於期內銷售額及平均產品銷售單價(不含增值税)如下：

		For the six months ended 30 June 截至六月三十日止六個月					
		2011 二零一一年		2010 二零一零年		Changes in 變化	
		Revenue 銷售額 (RMB million) (人民幣百萬元)	Average selling price 平均銷售單價 (RMB/tonne) (人民幣元／噸)	Revenue 銷售額 (RMB million) (人民幣百萬元)	Average selling price 平均銷售單價 (RMB/tonne) (人民幣元／噸)	Revenue 銷售額	Average selling price 平均銷售單價
H-section steel	H型鋼	7,008	4,215	5,228	3,530	34.0%	19.4%
Strips and strip products	帶鋼及帶鋼類產品	7,673	3,947	5,894	3,326	30.2%	18.7%
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	1,151	4,836	898	4,446	28.2%	8.8%
Billets	鋼坯	3,079	3,683	3,330	3,281	(7.5%)	12.3%
Rebar	螺紋鋼	664	4,245	–	N/A 不適用	N/A 不適用	N/A 不適用
Others	其他	77	–	–	N/A 不適用	N/A 不適用	N/A 不適用
Total	合計	19,652	4,063	15,350	3,434	28.0%	18.3%

The increase in revenue was primarily due to an increase in the sales volume of the Group's products and an increase in its average selling price by 18.3% to RMB 4,063 per tonne for the six months ended 30 June 2011 from RMB 3,434 per tonne for the corresponding period in 2010. Increases in sales volume and average selling price of the Group's products were mainly driven by improved demand during the first half of Year 2011, as a result of the sustained recovery of the global economies.

銷售額上升主要由於本集團產品的銷售量上升及截至於二零一一年六月三十日止六個月平均銷售價較二零一零年同期的每噸人民幣3,434元上升18.3%至每噸人民幣4,063元。本集團產品的銷售量及平均銷售價上升主因是環球經濟持續復甦，令二零一一年上半年需求改善所致。

Business and Financial Review
業務和財務概覽

Cost of Goods Sold and Gross Profit

The consolidated gross profit of the Group in the first half of Year 2011 was RMB 1,988 million (2010 corresponding period: RMB 1,396 million), representing an increase of 42.4%. Gross profit margin was 10.1% (2010 corresponding period: 9.1%)

Average cost per tonne and gross profit per tonne during the period were as follows:

銷售成本及毛利

二零一一年上半年本集團的綜合毛利為人民幣19.88億元(二零一零年同期：人民幣13.96億元)，上升42.4%。毛利率為10.1%(二零一零年同期：9.1%)。

於期內每噸平均成本及每噸毛利如下：

		For the six months ended 30 June 截至六月三十日止六個月					
		2011 二零一一年			2010 二零一零年		
		Average cost per tonne 每噸平均成本 (RMB) (人民幣元)	Gross profit per tonne 每噸毛利 (RMB) (人民幣元)	Gross profit margin 毛利率	Average cost per tonne 每噸平均成本 (RMB) (人民幣元)	Gross profit per tonne 每噸毛利 (RMB) (人民幣元)	Gross profit margin 毛利率
H-section steel	H型鋼	3,696	518	12.3%	3,113	417	11.8%
Strips and strip products	帶鋼及帶鋼類產品	3,587	360	9.1%	3,025	301	9.1%
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	4,647	189	3.9%	4,218	228	5.1%
Billets	鋼坯	3,343	340	9.2%	3,084	197	6.0%
Rebar	螺紋鋼	3,846	410	9.6%	N/A 不適用	N/A 不適用	N/A 不適用
Total	合計	3,652	411	10.1%	3,121	313	9.1%

Gross profit per tonne of the Group's products increased to RMB 411 for the six months ended 30 June 2011 from RMB 313 for the corresponding period in 2010, reflecting an increase of 31.3%. Gross profit margin increased to 10.1% for the six months ended 30 June 2011 from 9.1% for the corresponding period in 2010. The increase in gross profit margin was due to increase in the gross profit margins of H-section steels and Billets, sustained gross profit margins of Strips and strip products, partially offset by decrease in the gross profit margin of cold rolled sheets and galvanised sheets. The Group introduced Rebar with gross profit margin of 9.6%.

截至二零一一年六月三十日止六個月本集團產品每噸毛利由二零一零年同期人民幣313元升至人民幣411元，上升31.3%。截至二零一一年六月三十日止六個月毛利率由二零一零年同期9.1%升至10.1%。毛利率上升主要原因是H型鋼及鋼坯毛利率上升、帶鋼及帶鋼類產品維持去年相約的毛利率，及部份受到冷軋板及鍍鋅板毛利率下跌所抵銷，期內本集團推出螺紋鋼，其毛利率是9.6%。

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ACCREDITATION FOR THE COMPANY AND ITS MANAGEMENT

The Group was awarded "2011 Quality and Reputation Credible Enterprise" by the market research center of "China Association for Quality" in March 2011. In April 2011, the Group also ranked at top 8th of "Top 100 Private Enterprise in Hebei Province".

The Group's H-section hot rolled steel product brandname, "Jinxi Pai", was accredited "Quality and Reputation Assurance Enterprise" by "CQGC".

Mr. Han Jingyuan, the chairman of the Company was granted "2010 Outstanding Private Entrepreneur in Hebei Province".

公司及管理層取得的榮譽

本集團於二零一一年三月被《中國質量萬里行》市場調查中心列為二零一一年度創建首批「質量信譽雙保障單位」。於二零一一年四月，本集團亦入選中國二零一零年度「河北省百強民營企業」，並位列「河北省百強民營企業」第八位。

本集團的熱軋H型鋼產品「津西牌」被《中國輕產品質量保障中心》(「CQGC」)認定為「質量信譽雙保障示範單位」。

本公司董事局主席韓敬遠先生榮膺二零一零年度「河北省優秀民營企業家」的榮譽稱號。

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2011, the Group had a workforce of approximately 14,000 and temporary staff of approximately 3,000. The staff cost included basic salaries and benefits. Staff benefits included discretionary bonus, medical insurance plans, pension scheme, unemployment insurance plan, maternity insurance plan and the fair value of the share options, etc. According to the Group's remuneration policy, employees' package is based on productivity and/or sales performance, and is consistent with the Group's quality control and cost control targets.

人力資源及薪酬政策

於二零一一年六月三十日，本集團僱用員工約14,000人及臨時工人約3,000人。職工成本包括基本薪金及福利，僱員福利包括酌情發放的花紅、醫療保險計劃、養老金計劃、失業保險計劃、生育保險計劃及購股權的公允價值等。根據本集團的薪酬政策，僱員的整套福利與僱員的生產力及╱或銷售業績掛鈎，與本集團質量控制及成本控制目標的一致。

INVESTOR RELATIONS

During the period under review, the Company maintained regular dialogue with institutional investors, fund managers, analysts and the media and update them on the Company's business development and the impact from industry trends. The management of the Company has participated in a number of major investor conferences in the first half of Year 2011. In addition, the Group arranged factory tours to our Hebei production plant – Jinxi Limited for analysts and fund managers.

投資者關係

於回顧期間，本公司維持與機構投資者、基金經理、分析員及傳媒對話，並提供本公司的業務的更新情況和行業趨勢的影響。在二零一一年上半年，本公司的管理層亦參與了多個主要的投資者會議。除此之外，本集團亦為分析員及基金經理安排參觀我們的河北生產基地 – 津西鋼鐵。

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FINANCIAL REVIEW

Liquidity and Financial Resources

In order to sustain a stable financial status, the Group closely monitors its liquidity and financial resources.

As at 30 June 2011, the Group had unutilised banking facilities of approximately RMB 4.5 billion (31 December 2010: RMB 4.8 billion).

As at 30 June 2011, the current ratio of the Group, representing current assets divided by current liabilities, was 1.9 (31 December 2010: 2.0) and the gearing ratio, representing total liabilities divided by total assets, was 57.6% (31 December 2010: 58.9%).

As at 30 June 2011, the cash and cash equivalents of the Group amounted to RMB 1,990 million (31 December 2010: RMB 2,223 million).

After considering its cash and cash equivalents as well as the banking facilities currently available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for general business expansion and development.

Capital Structures

As at 30 June 2011, most of the borrowings of the Group bore fixed interest rates and the Group's exposure to changes in markets interest rates were limited. The Group did not use any derivatives to hedge its exposure to interest rate risk for the period ended 30 June 2011 and year ended 31 December 2010.

Moreover, most of the borrowings of the Group as at 30 June 2011 were non-current with maturity over 4 years.

財務回顧

資金流動性及財務資源

本集團密切監察流動資金及財務資源，以保持穩健的財政狀況。

於二零一一年六月三十日，本集團的可用銀行授信額度約人民幣45億元（二零一零年十二月三十一日：人民幣48億元）。

於二零一一年六月三十日，本集團的流動比率（流動資產除以流動負債）為1.9倍（二零一零年十二月三十一日：2.0倍）及資產負債比率（總負債除以總資產）為57.6%（二零一零年十二月三十一日：58.9%）。

於二零一一年六月三十日，本集團的現金及現金等價物為人民幣19.90億元（二零一零年十二月三十一日：人民幣22.23億元）。

考慮目前本集團所持有之現金及現金等價物及可用銀行授信額度後，相信本集團擁有充足的資金應付未來之業務運作及一般業務擴充和發展之資金需要。

資本結構

於二零一一年六月三十日，本集團的大部份借款為固定利率且本集團對市場利率變化的風險為有限的。本集團於二零一一年六月三十日及二零一零年十二月三十一日止年度並無使用衍生工具對沖其利率風險。

此外，於二零一一年六月三十日，本集團大部分的借款的還款期為非即期且超過四年。

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The Group monitors its capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, finance lease obligations and borrowings from related parties. The Group regards its non-current borrowings, non-current portion of its finance lease obligations and borrowings from related parties and its equity attributable to owners of the parent as its total capital. As at 30 June 2011, the debt-to-capital ratio of the Group was 53.6% (31 December 2010: 50.3%).

The consolidated interest expenses and capitalised interest for the first half of 2011 amounted to RMB 276.31 million (2010 corresponding period: RMB 118.22 million). The interest coverage (divide earnings before interests and taxes by total interest expenses) was 7.3 times (2010 corresponding period: 10.8 times).

Capital Commitments

As at 30 June 2011, the Group had capital commitments of RMB 395 million (31 December 2010: RMB 1.98 billion). It is estimated the capital commitments will be financed by the Group's internal resources and senior notes and the directors of the Company ("Directors") will adjust the capital commitments depending on the future strategy for the development of the Group.

Financial Guarantee Contract

As at 30 June 2011, the Group's contingent liabilities amounted to RMB 30 million (31 December 2010: RMB 30 million), which was the provision of guarantee for bank borrowings in favour of a third party.

本集團根據債項與資本比率監察資本狀況。債項與資本比率為債項總額除以總資本，而債項總額包括流動及非流動借款、融資租賃負債及關聯公司借款。本集團將其非流動借款、融資租賃負債及關聯公司借款的非流動部份及歸屬於本公司權益持有者的權益視為本集團的總資本。於二零一一年六月三十日，本集團的債項與資本比率為53.6%（二零一零年十二月三十日：50.3%）。

二零一一年上半年綜合利息支出及資本化利息支出共人民幣2.7631億元（二零一零年同期：人民幣1.1822億元）。利息盈利倍數（扣除利息支出前之稅前溢利除以利息支出）為7.3倍（二零一零年同期：10.8倍）。

資本性承擔

於二零一一年六月三十日，本集團的資本性承擔為人民幣3.95億元（二零一零年十二月三十一日：人民幣19.8億元）。預計將由本集團自有資金及發債資金所融資，本公司董事（「董事」）將根據本集團的未來策略發展調整現有資本承諾。

財務擔保合同

於二零一一年六月三十日，本集團的或然負債為人民幣3,000萬元（二零一零年十二月三十一日：人民幣3,000萬元），為替第三方作銀行借貸擔保。

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Pledge of Assets

As at 30 June 2011, the net book value of the Group's property, plant and equipment amounting to approximately RMB 133 million (31 December 2010: approximately RMB 175 million), land use rights amounting to approximately RMB 22 million (31 December 2010: approximately RMB 23 million), inventories amounting to approximately RMB 63 million (31 December 2010: approximately RMB 89 million), notes receivable amounting to approximately RMB 55 million (31 December 2010: approximately RMB 55 million) and restricted bank balances amounting to approximately RMB 265 million (31 December 2010: approximately RMB 160 million) had been pledged as security for the Group's bank facilities.

資產抵押

於二零一一年六月三十日，本集團賬面淨值約人民幣1.33億元（二零一零年十二月三十一日：約人民幣1.75億元）的物業、廠房及設備，約人民幣0.22億元（二零一零年十二月三十一日：約人民幣0.23億元）的土地使用權，約人民幣0.63億元（二零一零年十二月三十一日：約人民幣0.89億元）的存貨，約人民幣0.55億元（二零一零年十二月三十一日：約人民幣0.55億元）的應收票據及約人民幣2.65億元（二零一零年十二月三十一日：約人民幣1.6億元）的受限制銀行結餘，已作為本集團獲授銀行融資的抵押品。

Exchange Risks

The Group's foreign exchange risk primarily arises from the Group's importing and exporting activities and the Group's senior notes which are denominated in USD. However, as the Group mainly operates in the PRC with most of the transactions denominated and settled in RMB, it is believed that the Group does not expose to significant foreign exchange risks and the Group has not used any derivatives to hedge its exposure to foreign exchange risk in the first half of 2011 and the corresponding period in 2010.

匯率風險

本集團之外匯風險主要是來自本集團的進口及出口業務及由以美元計值之本集團的優先票據。雖然如此，由於本集團的主營業務是在中國及大多數交易均以人民幣計值及結算，相信本集團並未面臨重大外匯風險及本集團於截至二零一一年上半年及二零一零年同期並無利用任何衍生工具對沖外匯風險。

Dividend

The Board proposed an interim dividend of HK$0.1 per ordinary share for the six months ended 30 June 2011 amounting to HK$292.97 million (approximately to RMB 241.35 million) (2010 corresponding period: nil). This proposed interim dividend is not reflected as a dividend payable in the condensed accounts of this report, but will be reflected as an appropriation of the retained earnings for the year ending 31 December 2011. The interim dividend will be paid on or before 31 October 2011 to those Company's shareholders whose names appear on the register of members of the Company on Tuesday, 11 October 2011.

股息

董事局建議派發截至二零一一年六月三十日止六個月的中期股息2.9297億港元（約人民幣2.4135億元）（二零一零年同期：無），即每股普通股0.10港元。此項擬派發的中期股息並無於本報告之簡明賬目中列作應付股息，惟將於截至二零一一年十二月三十一日止年度列作保留盈利分派。中期股息將於二零一一年十月三十一日或之前向於二零一一年十月十一日（星期二）名列在本公司的股東名冊內之本公司股東派付。

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Post Balance Sheet Events

There have been no events to cause material impact on the Group from the balance sheet date to the date of this report that should be disclosed.

結算日後事項

自結算日後至本報告日止期間，並無發生重大影響本集團的事情需要披露。

FUTURE PROSPECTS

The prices of iron ore and coking coal remain at high levels and the gradual withdrawal of economic stimulus policies imposed by the PRC government on sectors such as motors, machines, ship building and electrical appliances, the persistent tightening of monetary policies globally, together with the impact of the earthquake in Japan keeps the level of economic uncertainty high with which has impacted the steel industry also.

In spite of uncertainties in global economy in the second half of Year 2011, the Group continues to make investments which can improve the production efficiencies, eliminate inefficient production capacity and reduce our energy costs. The Group is also implementing different policies to control costs and increase our employees' motivations. The Group focuses on developing high end and high technology know-how products to broaden the profit and differentiate the Group among the competitors.

In order to sustain long-term and stable development and broaden its source of revenue, the Group will continue to explore new businesses prudently.

The Group will continue to adopt a prudent management approach and will pay close attention to market developments to respond quickly to the challenges in the second half of the year. The management will also strive to maintain the Group's competitive advantages in the face of various challenges in the second half of 2011 through the aforementioned measures.

In spite of uncertainties expected in the global economies in the second half of Year 2011, unless there are some significant adverse events which are outside the reasonable expectation of the management, the management is confident that the performance of whole year of 2011 will be better than that of 2010.

未來展望

面對鐵礦石、焦煤等主要原材料價格處於高水平，同時國內汽車、機械、造船及家電等行業在中國政府刺激政策逐漸退出及全球持續收緊的貨幣政策，加上日本地震對全球經濟影響逐漸浮現，令到經濟不穩定情況處於高水平，從而影響鋼鐵行業。

面對環球經濟於二零一一年下半年的不明朗因素，本集團亦持續投資以改善生產效率、淘汰低效率設備及降低能源成本。同時亦繼續實施多項措施以控制成本及提高員工的積極性，本集團會專注發展高附加值及高技術含量產品。

為維持本集團的長遠及穩定發展以及擴潤收益來源，本集團繼續審慎地開發新業務。

本集團在下半年將維持審慎的經營態度，密切注視市場的發展，並因應各挑戰作出迅速應對。管理層亦將透過上述的多種舉措致力維持本集團在二零一一年下半年的重重挑戰環境下的競爭優勢。

縱使全球經濟在二零一一年下半年面對不穩定因素，除非發生管理層合理預期以外的重大負面事件，管理層有信心二零一一年全年表現會優於二零一零年。

Other Information
其他資料

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As of 30 June 2011, the interests and short positions of the Directors, chief executives and their associates of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (i) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

董事於證券的權益及淡倉

於二零一一年六月三十日，本公司的董事、主要行政人員及其聯繫人於本公司或其相聯法團（定義見證券及期貨條例「證券及期貨條例」第XV部）的股份、相關股份或債券中擁有(i)根據證券及期貨條例第XV部的第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）（包括根據證券及期貨條例彼等被當作或視為擁有之權益或淡倉）；或(ii)根據證券及期貨條例第352條須列入該條所指登記冊內；或(iii)根據聯交所證券上市規則（「上市規則」）附錄十所載的上市發行人董事進行證券交易的標準守則）（「標準守則」）知會本公司及聯交所的權益及淡倉載列如下：

(i) Interests in the shares and underlying shares of the Company:

(i) 於本公司股份和相關股份的權益：

	Interests in shares 股份權益		Interests in underlying shares pursuant to share options 根據購股權在相關股份的權益	Percentage of the Company's issued share capital 佔本公司已發行股本的百分比	Long/ Short Position 好／淡倉
	Corporate Interest 公司權益	Personal Interest 個人權益			
Mr. Han Jingyuan *(Note 1)* 韓敬遠先生*(備註1)*	1,317,502,849	–	–	44.97%	Long（好）
	–	2,800,000	18,700,000	0.73%	Long（好）
Mr. Zhu Jun 朱軍先生	–	2,400,000	5,200,000	0.26%	Long（好）
Mr. Liu Lei 劉磊先生	–	2,400,000	5,200,000	0.26%	Long（好）
Mr. Shen Xiaoling 沈曉玲先生	–	2,400,000	5,200,000	0.26%	Long（好）
Mr. Zhu Hao 朱浩先生	–	–	5,200,000	0.18%	Long（好）

Other Information
其他資料

	Interests in Shares 股份權益 Corporate Interest 公司權益	Personal Interest 個人權益	Interests in underlying shares pursuant to share options 根據購股權在相關股份的權益	Percentage of the Company's issued share capital 佔本公司已發行股本的百分比	Long/Short Position 好/淡倉
Mr. Muktesh Mukherjee Muktesh Mukherjee先生	–	–	5,200,000	0.18%	Long(好)
Mr. Ondra Otradovec Ondra Otradovec先生	–	–	4,000,000	0.14%	Long(好)
Mr. Jean-Paul Georges Schuler Jean-Paul Georges Schuler先生 *(Resigned on 24 February 2011)* *(於二零一一年二月二十四日辭任)*			1,500,000	0.05%	Long(好)
Mr. Gao Qingju 高清舉先生	–	1,686,000	4,000,000	0.19%	Long(好)
Mr. Yu Tung Ho 余統浩先生	–	–	4,000,000	0.14%	Long(好)
Mr. Wong Man Chung, Francis 黃文宗先生	–	–	4,300,000	0.15%	Long(好)

Note

1: At 30 June 2011, Mr. Han Jingyuan beneficially owned 63.15% of the issued share capital of Wellbeing Holdings Limited ("Wellbeing Holdings") and held 16.09% of the issued share capital of Wellbeing Holdings on trust for the benefit of certain employees of the subsidiary of the Company. Wellbeing Holdings beneficially owned 1,255,849,124 shares of the Company, representing approximately 42.87% of the issued share capital of the Company. Mr. Han is also beneficially owner of 100% of the issued share capital of Chingford Holdings Limited ("Chingford Holdings") which beneficially owned 61,653,725 shares of the Company, representing approximately 2.10% of the issued shares of the Company.

At 30 June 2011, Mr. Han Jingyuan beneficially owned 2,800,000 shares of the Company, representing approximately 0.1% of the issued share capital of the Company.

備註

1： 於二零一一年六月三十日，韓敬遠先生實益擁有Wellbeing Holdings Limited(「Wellbeing Holdings」)已發行股本63.15%的權益，並以信托方式就本公司附屬公司若干僱員的利益持有Wellbeing Holdings已發行股份的16.09%權益。Wellbeing Holdings實益擁有1,255,849,124股的本公司股份，約佔本公司已發行股份的42.87%權益。韓先生亦實益擁有Chingford Holdings Limited(「Chingford Holdings」)的全部已發行股本，而Chingford Holdings實益擁有61,653,725股的本公司股份，約佔本公司已發行股份的2.10%。

於二零一一年六月三十日，韓敬遠先生私人實益擁有2,800,000股的本公司股份，約佔本公司已發行股份的0.1%權益。

Other Information
其他資料

(ii) Interests in the ordinary shares of the Company's associated corporations:

(ii) 於本公司的聯營企業普通股份的權益：

	Name of associated corporation 聯營企業名稱	Nature of Interest 權益性質	Paid-in capital 投入資本 (RMB'000) （人民幣千元）	Approximate percentage of shareholding 概約持股百分比
Mr. Han Jingyuan	Hebei Jinxi Section Steel Company Limited	Interests in Hebei Jinxi Section Steel Company Limited through Qianxi County Hui Yin Trading Company Limited *(Note 1)*	350,000	1.64%
韓敬遠先生	河北津西型鋼有限公司	透過遷西縣匯銀工貿有限公司擁有河北津西型鋼有限公司的權益*（備註1）*		
Mr. Zhu Jun	Hebei Jinxi Section Steel Company Limited	Interests in Hebei Jinxi Section Steel Company Limited through Qianxi County Hui Yin Trading Company Limited *(Note 1)*	350,000	0.92%
朱軍先生	河北津西型鋼有限公司	透過遷西縣匯銀工貿有限公司擁有河北津西型鋼有限公司的權益*（備註1）*		
Mr. Shen Xiaoling	Hebei Jinxi Section Steel Company Limited	Interests in Hebei Jinxi Section Steel Company Limited through Qianxi County Hui Yin Trading Company Limited *(Note 1)*	350,000	0.88%
沈曉玲先生	河北津西型鋼有限公司	透過遷西縣匯銀工貿有限公司擁有河北津西型鋼有限公司的權益*（備註1）*		

Note

(1) Mr. Han Jingyuan, Mr. Zhu Jun and Mr. Shen Xiaoling beneficially owned 8.22%, 4.58% and 4.42% equity interests respectively in Qianxi County Hui Yin Trading Company Limited which holds 20% equity interests in Hebei Jinxi Section Steel Company Limited.

備註

(1) 韓敬遠先生、朱軍先生及沈曉玲先生分別實益擁有遷西縣匯銀工貿有限公司的8.22%、4.58%及4.42%的股份權益而持有河北津西型鋼有限公司的20%股份權益。

Other Information
其他資料

(iii) Interest in the debentures of the Company

(iii) 於本公司債券的權益

	Corporate Interest 企業權益	Personal Interest 個人權益	Amount of debenture 債券金額
Han Jingyuan (Note 2)	US$11,000,000 of 2015 Senior Notes (Note 1)	–	US$11,000,000 of 2015 Senior Notes (Note 1)
韓敬遠先生(備註2)	11,000,000美元的2015高息票據(備註1)	–	11,000,000美元的2015高息票據(備註1)

Notes

(1) US$550 million 8% senior notes due 2015 of the Company was issued at 11 August 2010. ("2015 Senior Notes")

(2) At 30 June 2011, Mr. Han Jingyuan beneficially owned 100% of the issued share capital of Eastland International Trading Limited ("Eastland International"), which beneficially owned US$11,000,000 of 2015 Senior Notes.

備註

(1) 本公司於二零一零年八月十一日發行的二零一五年到期5.5億美元8%高息票據(「2015高息票據」)。

(2) 於二零一一年六月三十日，韓敬遠先生實益擁有東嶺國際貿易有限公司(「東嶺國際」)已發行股本的100%權益，東嶺國際實益持有11,000,000美元的2015高息票據。

Save as disclosed above and in the section of "Equity-settled Share Option Scheme" below, at 30 June 2011, none of the Directors, chief executives and their associates had any interest and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者和下述的「以股權結算的購股權計劃」部份外，於二零一一年六月三十日，概無本公司的董事、主要行政人員及其聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例)擁有需根據證券及期貨條例第352條所存置的股東名冊所記錄，或根據標準守則須知會本公司及聯交所的股份、相關股份及債券擁有任何權益及淡倉。

EQUITY-SETTLED SHARE OPTION SCHEME

以股權結算的購股權計劃

Share options were granted to eligible participants under a share option scheme approved and adopted by the shareholders of the Company at the annual general meeting held on 17 May 2006 ("2006 Share Option Scheme") and a share option scheme approved and adopted by the shareholders of the Company at the special general meeting held on 20 December 2010 ("2010 Share Option Scheme") (together with the 2006 Share Option Scheme, collectively referred to as ("Share Option Schemes")) for the purpose of providing incentives and rewards to eligible participants who are regarded as valuable human resources of the Group or who have contributed to the growth and success of the Group with their performance and other factors (e.g. their years of service with the Company and/or work experience and/or knowledge in the industry etc.) to contribute further to the Company.

根據在二零零六年五月十七日舉行的股東週年大會上由本公司股東批准及採納的購股權計劃(「2006購股權計劃」)及在二零一零年十二月二十日舉行的股東特別大會上由本公司股東批准及採納的購股權計劃(「2010購股權計劃」)(連同2006購股權計劃統稱為「購股權計劃」)，已向合資格參與者授予購股權，目的旨在激勵及獎勵合資格參與者彼等被視為本集團的寶貴人力資源或以彼等之表現及其他因素對本集團的發展和成功作出貢獻(例如彼等在本公司的服務年期及／或行內的工作經驗及／或知識等)，並對本公司作出更多貢獻。

Other Information
其他資料

On 14 January 2011, share options to subscribe for 800,000 shares of the Company were granted to the grantees at an exercise price of HK$3.20 per share under the 2010 Share Option Scheme which represents the highest of (i) the closing price of HK$3.20 per share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant of the share options, i.e. 14 January 2011 (the "Date of Grant"); (ii) the average closing price of HK$3.118 per share as stated in the daily quotations sheet issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of share of the Company, which is HK$0.10. The share options are exercisable by the grantees in the following manners: (1) up to 33% of the share options granted to each grantee on or after 14 January 2011; (2) up to further 66% of the share options granted to each grantee on or after 14 January 2012; (3) all the remaining share options granted to each grantee on or after 14 January 2013, and in each case, not later than 13 January 2021.

於二零一一年一月十四日，根據2010購股權計劃，按行使價每股3.20港元向承授人授予可認購800,000股本公司股份的購股權，行使價乃為(i)股份於購股權授出日期（即二零一一年一月十四日）（「授出日期」）在聯交所的每日報價表所報的收市價每股3.20港元；(ii)股份於緊接建議授出日期前五個營業日在聯交所的每日報價表所報的平均收市價每股3.118港元；及(iii)本公司股份的面值0.10港元三者中的最高值。該等購股權可由承受人按下列方式行使：(i)授予各承受人的購股權最多達33%可於二零一一年一月十四日或之後行使；(2)授予各承受人的購股權最多達進一步66%可於二零一二年一月十四日或之後行使；(3)授予各承受人的所有餘下購股權可於二零一三年一月十四日或之後行使，惟於各情況下不得遲於二零二一年一月十三日。

On 28 March 2011, share options to subscribe for 9,800,000 shares of the Company were conditionally granted to Mr. Han Jingyuan subject to the approval by the independent shareholders of the Company at the special general meeting at an exercise price of HK$3.08 per share under the 2010 Share Option Scheme which represents the highest of (i) the closing price of HK$3.08 per share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant of the share options, i.e. 28 March 2011 (the "Date of Grant"); (ii) the average closing price of HK$2.814 per share as stated in the daily quotations sheet issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of share of the Company, which is HK$0.10. The share options are exercisable by Mr. Han Jingyuan in the following manners: (1) up to 40% of the share options granted to Mr. Han Jingyuan on or after the date of the approval of the grant of options by the independent shareholder at the special general meeting (the "Date of Approval"); (2) up to further 70% of the share options granted to Mr. Han Jingyuan on or after one year from the Date of Approval; (3) all the remaining share options granted to Mr. Han Jingyuan on or after two years from the Date of Approval, and in each case, not later than 27 March 2021.

於二零一一年三月二十八日，根據2010購股權計劃，按行使價每股3.08港元向韓敬遠先生有條件授予可認購9,800,000股本公司股份的購股權，須待本公司獨立股東於股東特別大會上批准後，方可作實，行使價乃為(i)股份於購股權授出日期（即二零一一年三月二十八日）（「授出日期」）在聯交所的每日報價表所報的收市價每股3.08港元；(ii)股份於緊接建議授出日期前五個營業日在聯交所的每日報價表所報的平均收市價每股2.814港元；及(iii)本公司股份的面值0.10港元三者中的最高值。該等購股權可由韓敬遠按下列方式行使：(i)授予韓敬遠先生的購股權最多達40%可於獨立股東於股東特別大會上批准授出購股權日期（「批准日期」）或之後行使；(2)授予韓敬遠先生的購股權最多達進一步70%可於自批准日期起一年或之後行使；(3)授予韓敬遠先生的所有餘下購股權可於自批准日期起兩年或之後行使，惟於各情況下不得遲於二零二一年三月二十七日。

Other Information
其他資料

Details of the share options outstanding under 2006 Share Option Scheme were as follows:

2006購股權計劃下尚未行使的購股權詳情如下：

	Date of grant 授予日	Exercisable period 可行使期間	Exercise price 行使價 HK$ 港元	Closing price per share immediately before the date of grant 緊接購股權授予日前的每股收市價 HK$ 港元	No. of options outstanding at 1 Jan 2011 於二零一一年一月一日未行使的購股權數目	No. of options granted during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內授予的購股權數目	No. of options exercised/cancelled/lapsed during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內已行使／註銷／失效的購股權數目	No. of option outstanding at 30 June 2011 於二零一一年六月三十日未行使的購股權數目	Approximate shareholding percentage of the underlying shares for the options in the share capital of the Company 購股權相關股份佔本公司股本的股權概約百分比
Mr. Han Jingyuan 韓敬遠先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,900,000	–	–	2,900,000	0.10%
	2010/11/26	2010/12/20 to 至 2016/5/16	3.00	3.00	6,000,000		–	6,000,000	0.20%
Mr. Zhu Jun 朱軍先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	–	–	2,600,000	0.09%
Mr. Liu Lei 劉磊先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	–	–	2,600,000	0.09%
Mr. Shen Xiaoling 沈曉玲先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	–	–	2,600,000	0.09%
Mr. Zhu Hao 朱浩先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	–	–	2,600,000	0.09%

Other Information
其他資料

	Date of grant 授予日	Exercisable period 可行使期間	Exercise price 行使價 HK$ 港元	Closing price per share immediately before the date of grant 緊接購股權授予日前的每股收市價 HK$ 港元	No. of options outstanding at 1 Jan 2011 於二零一一年一月一日未行使的購股權數目	No. of options granted during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內授予的購股權數目	No. of options exercised/ cancelled/ lapsed during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內已行使／註銷／失效的購股權數目	No. of option outstanding at 30 June 2011 於二零一一年六月三十日未行使的購股權數目	Approximate shareholding percentage of the underlying shares for the options in the share capital of the Company 購股權相關股份佔本公司股本的股權概約百分比
Mr. Muktesh Mukherjee Muktesh Mukherjee先生	2009/5/11	2009/5/11 to 至 2019/5/10	1.50	1.49	2,600,000	–	–	2,600,000	0.09%
Mr. Jean-Paul Georges Schuler *(resigned on 24 February 2011)* Jean-Paul Georges Schuler先生 *(於二零一一年二月二十四日辭任)*	2009/5/11	2009/5/11 to 至 2019/5/10	1.50	1.49	2,000,000	–	500,000 *(Note 1)* *(註一)*	1,500,000	0.05%
Mr. Ondra Otradovec Ondra Otradovec先生	2009/5/11	2009/5/11 to 至 2019/5/10	1.50	1.49	2,000,000	–	–	2,000,000	0.07%
Mr. Gao Qingju 高清舉先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,000,000	–	–	2,000,000	0.07%

Other Information
其他資料

	Date of grant 授予日	Exercisable period 可行使期間	Exercise price 行使價 HK$ 港元	Closing price per share immediately before the date of grant 緊接購股權授予日前的每股收市價 HK$ 港元	No. of options outstanding at 1 Jan 2011 於二零一一年一月一日未行使的購股權數目	No. of options granted during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內授予的購股權數目	No. of options exercised/cancelled/lapsed during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內已行使／註銷／失效的購股權數目	No. of option outstanding at 30 June 2011 於二零一一年六月三十日未行使的購股權數目	Approximate shareholding percentage of the underlying shares for the options in the share capital of the Company 購股權相關股份佔本公司股本的股權概約百分比
Mr. Yu Tung Ho 余統浩先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,000,000	–	–	2,000,000	0.07%
Mr.Wong Man Chung, Francis 黃文宗先生	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	2,000,000	–	–	2,000,000	0.07%
Employees 僱員	2009/2/24	2009/2/24 to 至 2019/2/23	1.39	1.24	1,200,000	–	–	1,200,000	0.04%
	2009/12/29	2010/3/29 to 至 2019/12/28	2.84	2.77	142,050,000	–	–	142,050,000	4.85%
Total 合計					175,150,000	–	500,000	174,650,000	5.96%

Note:

1. 500,000 options were lapsed during the period.

註：

1. 於期內，500,000股購股權已失效。

Other Information
其他資料

Details of the share options outstanding under 2010 Share Option Scheme were as follows:

2010購股權計劃下尚未行使的購股權詳情如下：

	Date of grant 授予日	Exercisable period 可行使期間	Exercise price 行使價 HK$ 港元	Closing price per share immediately before the date of grant 緊接購股權授予日前的每股收市價 HK$ 港元	No. of options outstanding at 1 Jan 2011 於二零一一年一月一日未行使的購股權數目	No. of options granted during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內授予的購股權數目	No. of options exercised/cancelled/lapsed during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內已行使／註銷／失效的購股權數目	No. of option outstanding at 30 June 2011 於二零一一年六月三十日未行使的購股權數目	Approximate shareholding percentage of the underlying shares for the options in the share capital of the Company 購股權相關股份佔本公司股本的股權概約百分比
Mr. Han Jingyuan 韓敬遠先生	2011/03/28	2011/04/27 to 至 2021/03/27	3.08	3.08	–	9,800,000	–	9,800,000	0.33%
Mr. Zhu Jun 朱軍先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	–	–	2,600,000	0.09%
Mr. Liu Lei 劉磊先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	–	–	2,600,000	0.09%
Mr. Shen Xiaoling 沈曉玲先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	–	–	2,600,000	0.09%
Mr. Zhu Hao 朱浩先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	–	–	2,600,000	0.09%
Mr. Muktesh Mukherjee Muktesh Mukherjee先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	–	–	2,600,000	0.09%
Mr. Ondra Otradovec Ondra Otradovec先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,000,000	–	–	2,000,000	0.07%

Other Information
其他資料

	Date of grant 授予日	Exercisable period 可行使期間	Exercise price 行使價 HK$ 港元	Closing price per share immediately before the date of grant 緊接購股權授予日前的每股收市價 HK$ 港元	No. of options outstanding at 1 Jan 2011 於二零一一年一月一日未行使的購股權數目	No. of options granted during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內授予的購股權數目	No. of options exercised/ cancelled/ lapsed during the six months ended 30 June 2011 於截至二零一一年六月三十日六個月內已行使／註銷／失效的購股權數目	No. of option outstanding at 30 June 2011 於二零一一年六月三十日未行使的購股權數目	Approximate shareholding percentage of the underlying shares for the options in the share capital of the Company 購股權相關股份佔本公司股本的股權概約百分比
Mr. Gao Qingju 高清舉先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,000,000	–	–	2,000,000	0.07%
Mr. Yu Tung Ho 余統浩先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,000,000	–	–	2,000,000	0.07%
Mr.Wong Man Chung, Francis 黃文宗先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,300,000	–	–	2,300,000	0.08%
Employees 僱員	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	24,400,000	–	1,000,0000 *(Note 1)* *(註1)*	23,400,000	0.80%
	2011/1/14	2011/1/14 to 至 2021/1/13	3.20	3.15		800,000	–	800,000	0.03%
Other Participants 其他參與者	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	1,400,000	–	–	1,400,000	0.05%
Total 合計					47,100,000	10,600,000	1,000,000	56,700,000	1.94%

Note:

1. 1,000,000 options were lapsed during the period.

註：

1. 於期內，1,000,000股購股權已失效。

Other Information
其他資料

EQUITY-SETTLED OPTION SCHEME

The value of the options granted during the period is RMB12.24 million, based on the Black-Scholes valuation model. The Black-Scholes model is developed to estimate the fair value of European share options. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

以股權結算的購股權計劃

根據柏力克－舒爾斯估值模型計算，於期內授出的購股權價值為人民幣1,224萬元。柏力克－舒爾斯估值模型旨在估算歐式購股權的公允價值。基於所作假設及所用模型的限制，所計算的公允價值帶有主觀及不確定因素。購股權價值因應若干主觀假設的不同變量而變動，所採用變量的任何變動可能對購股權公允價值估算產生重大影響。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate granted to any Director or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or were the Company or any of its holding companies, fellow subsidiaries and subsidiaries a party to any arrangement to enable the Company's Directors, their respective spouses or children under 18 years of age to acquire such rights in any other body corporate.

董事認購股份或債券的權利

除上文所披露者外，於期內任何時間，概無任何本公司的董事或彼等各自的配偶或未滿十八歲的子女獲授可透過購買本公司或任何其他法人團體股份或債券而獲益的權利，或行使任何該等權利；而本公司或其任何控股公司、同系附屬公司及附屬公司概無訂立任何安排，致使本公司董事、彼等各自的配偶或未滿十八歲的子女可自任何其他法人團體購入該等權利。

SUBSTANTIAL SHAREHOLDERS

At 30 June 2011, the interests or short positions of every person, other than a Director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

主要股東

於二零一一年六月三十日，根據本公司按照證券及期貨條例第336條所存置的股東名冊所記錄，每名人士（本公司董事或主要行政人員除外）於本公司股份及相關股份擁有的權益或淡倉如下：

Other Information
其他資料

Name 名稱	Number of Shares held 所持股份數目	Percentage of the Company's issued share capital 佔本公司已發行股本百分比	Long/ Short Position 好╱淡倉
Wellbeing Holdings	1,255,849,124	42.87%	Long(好)
ArcelorMittal Holdings AG (formerly known as Mittal Steel Holdings AG) ("AM Holdings AG") *(Note 1)* ArcelorMittal Holdings AG (前稱為Mittal Steel Holdings AG) ("AM Holdings AG")*(備註1)*	867,711,151 509,780,740	29.62% 17.40%	Long(好) Long(好)
ING Bank N.V. *(Note 2)* ING Bank N.V.*(備註2)*	289,990,800 289,990,800	9.90% 9.90%	Long(好) Short(淡)
Deutsche Bank Aktiengesellschaft *(Note 3)* Deutsche Bank Aktiengesellschaft *(備註3)*	220,934,306 219,801,940	7.54% 7.50%	Long(好) Short(淡)

Notes

(1) At 30 June 2011, Mr. Lakshmi Niwas Mittal and Mrs. Usha Mittal directly own 40.84% and indirectly own 40.84% of the issued share capital of ArcelorMittal which indirectly holds the entire equity interest in AM Holdings AG, AM Holdings AG beneficially owns 867,711,151 shares of the Company, representing approximately 29.62% of the issued share capital of the Company.

On 30 April 2008, AM Holdings AG entered into a put option agreement with ING Bank N.V. and Deutsche Bank Aktiengesellschaft, pursuant to which AM Holdings AG granted an option to ING Bank N.V. and Deutsche Bank Aktiengesellschaft over an aggregate of 509,780,740 shares of the Company, representing 17.40% of the issued share capital of the Company.

On 25 March 2011, AM Holdings AG entered into an extended put option agreements with each ING Bank N.V. and Deutsche Bank Aktiengesellschaft by extending the aforesaid put option agreements for a further term of 36 months from 30 April 2011.

備註

(1) 於二零一一年六月三十日，Lakshmi Niwas Mittal先生和Usha Mittal太太直接擁有ArcelorMittal已發行股份40.84%和間接擁有ArcelorMittal已發行股份40.84%而ArcelorMittal間接擁有AM Holdings AG全部股本權益，AM Holdings AG實益擁有867,711,151股的本公司股份，約佔本公司已發行股份的29.62%權益。

於二零零八年四月三十日，AM Holdings AG分別與ING Bank N.V.和Deutsche Bank Aktiengesellschaft簽訂了一份認沽期權協議，據此AM Holdings AG分別授予ING Bank N.V.和Deutsche Bank Aktiengesellschaft一個認沽期權，合共509,780,740股的本公司股份，約佔本公司已發行股份的17.40%權益。

於二零一一年三月二十五日，AM Holdings AG分別與ING Bank N.V.和Deutsche Bank Aktiengesellschaft簽訂了一份延長認沽期權協議，將上述之認沽期權協議的年期由二零一一年四月三十日進一步延長三十六個月。

Other Information
其他資料

(2) On 30 April 2008, AM Holdings AG and ING Bank N.V. entered into a put option agreement, pursuant to which AM Holdings AG granted an option to ING Bank N.V. to sell 289,990,800 shares of the Company. As at 30 June 2011, ING Bank N.V. owned 289,990,800 shares of the Company, representing 9.90% of the issued shares capital of the Company.

On 25 March 2011, AM Holdings AG entered into an extended put option agreement with ING Bank N.V. by extending the aforesaid put option agreement for a further term of 36 months from 30 April 2011.

(3) On 30 April 2008, AM Holdings AG and Deutsche Bank Aktiengesellschaft entered into a put option agreement in which AM Holdings AG granted an option to Deutsche Bank Aktiengesellschaft to sell 219,789,940 shares of the Company. As at 30 June 2011, Deutsche Bank Aktiengesellschaft owned 220,934,306 shares of the Company, representing 7.54% of the issued shares capital of the Company.

On 25 March 2011, AM Holdings AG entered into an extended put option agreement with Deutsche Bank Aktiengesellschaft by extending the aforesaid put option agreement for a further term of 36 months from 30 April 2011.

Saved as disclosed above and in Directors' Interests and Short Positions in Securities sections, at 30 June 2011, no person, other than a Director or chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2011.

(2) 於二零零八年四月三十日，AM Holdings AG與ING Bank N.V.簽訂了一份認沽期權協議，據此AM Holdings AG授予ING Bank N.V.一個認沽期權可出售289,990,800股的本公司股份。於二零一一年六月三十日，ING Bank N.V.持有289,990,800股的本公司股份，約佔本公司已發行股份的9.90%權益。

於二零一一年三月二十五日，AM Holdings AG與ING Bank N.V.簽訂了一份延長認沽期權協議，將上述之認沽期權協議的年期由二零一一年四月三十日進一步延長三十六個月。

(3) 於二零零八年四月三十日，AM Holdings AG與Deutsche Bank Aktiengesellschaft簽訂了一份認沽期權協議，據此AM Holdings AG授予Deutsche Bank Aktiengesellschaft一個認沽期權可出售219,789,940股的本公司股份。於二零一一年六月三十日，Deutsche Bank AG持有220,934,306股的本公司股份，約佔本公司已發行股份的7.54%權益。

於二零一一年三月二十五日，AM Holdings AG與Deutsche Bank Aktiengesellschaft簽訂了一份延長認沽期權協議，將上述之認沽期權協議的年期由二零一一年四月三十日進一步延長三十六個月。

除上文所披露者外與及董事於證券的權益和淡倉部份外，於二零一一年六月三十日，根據本公司按照證券及期貨條例第336條所存置的股東名冊，概無人士(本公司董事或主要行政人員除外)於本公司股份及相關股份擁有權益或淡倉。

購買、贖回或出售本公司上市證券

於截至二零一一年六月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Other Information
其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard set out in the Model Code.

The Company has made specific enquiry of all Directors and all Directors have confirmed with the Company that they have complied with the required standard set out in the Model Code and its code of conduct regarding securities transactions by the Directors during the period.

AUDIT COMMITTEE AND INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has established an audit committee (the "Audit Committee") comprised all three Independent Non-executive Directors, namely Mr. Gao Qingju, Mr. Yu Tung Ho and Mr. Wong Man Chung, Francis with written term of reference in compliance with the requirement of Listing Rules, and at least one of the Independent Non-executive Directors possesses appropriate professional qualifications, accounting and related financial management expertise as required under the Listing Rules.

The Audit Committee has reviewed and discussed the unaudited condensed consolidated interim financial information for the six months ended 30 June 2011 with the management of the Company and PricewaterhouseCoopers, the auditor of the Company, has conducted its review on the unaudited condensed consolidated interim financial information in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

上市公司董事進行證券交易的標準守則

本公司已採納有關董事進行證券交易的操守準則，該操守準則的條款不低於標準守則所載的規定的標準。

本公司已向全體董事作出個別查詢，而全體董事已向本公司確認，彼等於該期間內已遵守標準守則及本公司有關董事進行證券交易的操守準則。

審核委員會和獨立非執行董事

本公司設有審核委員會(「審核委員會」)，由全部三位獨立非執行董事，即高清舉先生、余統浩先生和黃文宗先生組成，其書面職責範疇是符合上市規則的要求，且至少一位獨立非執行董事具備上市規則所規定的適當專業資格、會計及相關財務管理專業知識。

審核委員會已與本公司管理層審閱及討論截至二零一一年六月三十日止六個月的未經審核簡明合併中期財務資料。本公司核數師，羅兵咸永道會計師事務所已按照香港會計師公會頒佈之香港審閱準則第2410號對未經審核簡明合併中期財務資料進行了審閱。

Other Information
其他資料

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules, throughout the period except the following deviations:

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Han Jingyuan serves as the Chairman of the Board and the Chief Executive Officer of the Group. The Board believes that there is no immediate need to segregate the roles of Chairman and the Chief Executive Officer of the Company because the role of chief executive officer/general manager of the Company's major operating subsidiaries are performed by other persons.

The Board will consider the segregation of the roles of the Chairman and the Chief Executive Officer of the Company in light of the future development of the operating activities or businesses of the Group.

DIVIDEND

The Board proposed an interim dividend of HK$0.1 per ordinary share for the six months ended 30 June 2011 amounting to HK$292.97 million (approximately to RMB 241.35 million) (2010 corresponding period: nil). This proposed interim dividend is not reflected as a dividend payable in the condensed accounts of this report, but will be reflected as an appropriation of the retained earnings for the year ending 31 December 2011. The interim dividend will be paid on or before 31 October 2011 to those Company's shareholders whose names appear on the register of members of the Company on Tuesday, 11 October 2011.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 7 October 2011 to Tuesday, 11 October 2011, both days inclusive, during which period no transfer of shares of the Company may be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrar and Transfer Office, Tricor Investor Services Limited, at 26th floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 6 October 2011.

遵守企業管治常規守則

董事認為，除下文所披露外，於該期間內，本公司一直遵守上市規則附錄十四所載的企業管治常規守則「企業管治守則」。

根據企業管治守則的守則條文第A.2.1條，主席與首席執行官的角色應有區分，並不應由一人同時兼任。目前，韓敬遠先生擔任董事局主席和本集團首席執行官。董事局相信無需立即區分本公司的董事局主席及首席執行官職務，因本公司主要及實際營運的附屬公司的首席執行官／總經理職務已由其他人士擔任。

董事局將會考慮分離本公司的董事局主席及首席執行官的職務以應付本集團未來的經營活動與業務發展。

股息

董事局建議派發截至二零一一年六月三十日止六個月的中期股息2.9297億港元（約人民幣2.4135億元）（二零一零年同期：無），即每股普通股0.10港元。此項擬派發的中期股息並無於本報告之簡明賬目中列作應付股息，惟將於截至二零一一年十二月三十一日止年度列作保留盈利分派。中期股息將於二零一一年十月三十一日或之前向於二零一一年十月十一日（星期二）名列在本公司的股東名冊內之本公司股東派付。

暫停辦理股東登記手續

本公司將自二零一一年十月七日（星期五）起至二零一一年十月十一日（星期二）止（首尾兩天包括在內）暫停辦理股東登記手續，任何本公司股份在該期間內均不得進行過戶。為符合資格獲派發中期股息，所有過戶文件務須在二零一一年十月六日（星期四）下午四時三十分或之前送交本公司股份過戶登記分處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

Other Information
其他資料

LIST OF DIRECTORS

At the date of this report, the Board of Directors of the Company comprises Mr. Han Jingyuan, Mr. Zhu Jun, Mr. Liu Lei, Mr. Shen Xiaoling, Mr. Zhu Hao and Mr. Muktesh Mukherjee being the Executive Directors, Mr. Ondra Otradovec and Mr. Vijay Kumar Bhatnagar being the Non-Executive Directors. Mr. Gao Qingju, Mr. Yu Tung Ho and Mr. Wong Man Chung, Francis being the Independent Non-Executive Directors.

APPRECIATION

The Group's encouraging results in the first half of Year 2011 were attributable to support from its staff and shareholders. The Board would like to take this opportunity to extend its deepest gratitude to its staff and shareholders. The Group will continue to pursue steady and sustainable growth in the second half of Year 2011 with the support of its staff, and create value for its shareholders.

On Behalf of the Board
CHINA ORIENTAL GROUP COMPANY LIMITED
Han Jingyuan
Chairman and Chief Executive Officer

9 August 2011

董事名單

於本報告日，本公司董事局包括執行董事為韓敬遠先生、朱軍先生、劉磊先生、沈曉玲先生、朱浩先生及Muktesh Mukherjee先生，非執行董事Ondra Otradovec先生及Vijay Kumar Bhatnagar先生，獨立非執行董事高清舉先生、余統浩先生和黃文宗先生。

感謝

有賴本集團員工和廣大股東對本集團的支持，本集團於二零一一年上半年取得了良好的表現，藉此機會董事局衷心感謝本集團全體員工以及股東。在二零一一年下半年，本集團將繼續保持穩健發展，與員工共同進步，與股東共享豐盛回報。

代表董事局
中國東方集團控股有限公司
韓敬遠
董事局主席兼首席執行官

二零一一年八月九日

Report on Review of Interim Financial Information
中期財務資料的審閱報告

TO THE BOARD OF DIRECTORS OF CHINA ORIENTAL GROUP COMPANY LIMITED

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 36 to 96, which comprises the interim condensed consolidated balance sheet of China Oriental Group Company Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2011 and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中國東方集團控股有限公司董事局

（於百慕達註冊成立之有限公司）

引言

本核數師（以下簡稱「我們」）已審閱列載於第36至96頁的中期財務資料，此中期財務資料包括中國東方集團控股有限公司（「貴公司」）及其附屬公司（合稱「貴集團」）於二零一一年六月三十日的簡明合併中期資產負債表與截至該日止六個月期間的相關簡明合併綜合收益表、簡明合併權益變動表和簡明合併現金流量表，以及主要會計政策概要和其他附註解釋。《香港聯合交易所有限公司證券上市規則》規定，就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。 貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論，並按照委聘之條款僅向整體董事局報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Report on Review of Interim Financial Information (continued)
中期財務資料的審閱報告（續）

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting".

結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 9 August 2011

羅兵咸永道會計師事務所
執業會計師

香港，二零一一年八月九日

Interim Condensed Consolidated Balance Sheet
中期簡明合併資產負債表

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

		Note 附註	Unaudited 未審核 30 June 2011 二零一一年 六月三十日	Audited 經審核 31 December 2010 二零一零年 十二月三十一日
ASSETS	**資產**			
Non-current assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	8	**7,865,766**	7,946,548
Leasehold land and land use rights	租賃土地及土地使用權	8	**115,247**	116,949
Investment properties	投資物業	8	**16,386**	16,789
Intangible assets	無形資產	8	**8,526**	36
Investment in an associate	聯營公司投資		**12,904**	10,557
Available-for-sale financial assets	可供出售金融資產	9	**224,288**	116,172
Prepayments	預付款項	13	**336,784**	264,663
Deferred income tax assets	遞延所得税資產		**104,765**	102,018
Total non-current assets	**非流動資產合計**		**8,684,666**	8,573,732
Current assets	**流動資產**			
Properties under development	發展中物業	10	**276,973**	246,700
Inventories	存貨	11	**5,091,522**	4,085,745
Trade receivables	應收貿易賬款	12	**193,124**	76,882
Other current assets	其他流動資產		**28,004**	10,594
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	13	**1,025,493**	897,972
Loan receivable	應收貸款		**20,000**	20,000
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表的金融資產		**139**	131
Amounts due from related parties	應收關聯方款項	29(c)	**1,015,398**	999,590
Notes receivable – bank acceptance notes	應收票據－銀行承兑匯票	14	**4,199,057**	3,447,559
Restricted bank balances	受限制銀行結餘		**265,087**	159,945
Cash and cash equivalents	現金及現金等價物		**1,990,439**	2,223,245
Total current assets	**流動資產合計**		**14,105,236**	12,168,363
Total assets	**總資產**		**22,789,902**	20,742,095
EQUITY	**權益**			
Equity attributable to owners of the Company	**歸屬於本公司權益持有者的權益**			
Ordinary shares	普通股	15	**311,715**	311,715
Share premium	股份溢價	15	**2,190,291**	2,190,291
Other reserves	其他儲備	16	**1,331,510**	1,278,429
Retained earnings	留存收益		**5,180,136**	4,289,327
			9,013,652	8,069,762
Non-controlling interests	**非控制性權益**		**653,390**	450,012
Total equity	**權益合計**		**9,667,042**	8,519,774

Interim Condensed Consolidated Balance Sheet (continued)
中期簡明合併資產負債表（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

		Note 附註	Unaudited 未審核 30 June 2011 二零一一年六月三十日	Audited 經審核 31 December 2010 二零一零年十二月三十一日
LIABILITIES	**負債**			
Non-current liabilities	**非流動負債**			
Borrowings	借款	19	5,493,848	5,791,030
Other long-term payables	其他長期應付款	20	238,119	344,836
Deferred revenue	遞延收入		49,010	27,010
Total non-current liabilities	**非流動負債合計**		5,780,977	6,162,876
Current liabilities	**流動負債**			
Trade payables	應付貿易賬款	17	1,662,719	1,682,730
Accruals, advances from customers and other current liabilities	預提費用、預收客戶款項及其他流動負債	18	3,092,582	3,037,452
Amounts due to related parties	應付關聯方款項	29(c)	216,681	267,436
Current income tax liabilities	當期應交所得稅		242,721	179,033
Other long-term payables – current portion	其他長期應付款－流動部分	20	222,460	209,150
Borrowings	借款	19	1,900,585	680,249
Dividends payable	應付股息		4,135	3,395
Total current liabilities	**流動負債合計**		7,341,883	6,059,445
Total liabilities	**負債合計**		13,122,860	12,222,321
Total equity and liabilities	**權益及負債合計**		22,789,902	20,742,095
Net current assets	**流動資產淨額**		6,763,353	6,108,918
Total assets less current liabilities	**總資產減流動負債**		15,448,019	14,682,650

The notes on page 42 to 96 form an integral part of this condensed consolidated interim financial information.

第42至96頁的附註為本簡明合併中期財務資料的整體部分。

Interim Condensed Consolidated Statement of Comprehensive Income
中期簡明合併綜合收益表

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

			Unaudited 未審核 Six months ended 30 June 截至六月三十日止六個月	
		Note 附註	2011 二零一一年	2010 二零一零年
Revenue	收入	7	19,651,580	15,349,900
Cost of goods sold	銷售成本		(17,663,919)	(13,953,481)
Gross profit	**毛利**		1,987,661	1,396,419
Other income	其他收入		31,535	34,122
Distribution costs	分銷成本		(46,108)	(52,678)
Administrative expenses	行政費用		(197,607)	(148,297)
Other expenses	其他費用		(18,240)	(18,783)
Other gains – net	其他收益－淨額		52,697	16,595
Operating profit	**經營溢利**	21	1,809,938	1,227,378
Finance income	財務收入		55,219	14,447
Finance costs	財務成本		(115,089)	(82,738)
Share of result of associates	應佔聯營公司溢利		2,347	(1,510)
Profit before income tax	**除所得稅前溢利**		1,752,415	1,157,577
Income tax expense	所得稅費用	22	(456,991)	(285,813)
Profit for the period	**期內溢利**		1,295,424	871,764
Other comprehensive income:	**其他綜合收益：**			
Fair value gains/(losses) on available-for-sale financial assets	可供出售金融資產的公允價值收益／(虧損)		28,766	(23,915)
Total comprehensive income for the period	**期內綜合收益合計**		1,324,190	847,849
Profit for the period attributable to:	**期內溢利歸屬於：**			
– owners of the Company	－本公司權益持有者		1,154,530	797,994
– non-controlling interests	－非控制性權益		140,894	73,770
			1,295,424	871,764

Interim Condensed Consolidated Statement of Comprehensive Income (continued)
中期簡明合併綜合收益表（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

			Unaudited 未審核 Six months ended 30 June 截至六月三十日止六個月	
		Note 附註	2011 二零一一年	2010 二零一零年
Total comprehensive income attributable to:	**綜合收益合計歸屬於：**			
– owners of the Company	－本公司權益持有者		**1,183,296**	774,079
– non-controlling interests	－非控制性權益		**140,894**	73,770
			1,324,190	847,849
Earnings per share for profit attributable to owners of the Company during the period	**期內本公司權益持有者應佔溢利的每股溢利**			
(express in RMB per share)	（每股人民幣元）			
– basic	－基本	23	**0.39**	0.27
– diluted	－稀釋	23	**0.39**	0.27

The notes on page 42 to 96 form an integral part of this condensed consolidated interim financial information.

第42至96頁的附註為本簡明合併中期財務資料的整體部分。

Dividends	**股息**	24	**241,351**	–

Interim Condensed Consolidated Statement of Changes in Equity
中期簡明合併權益變動表

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

			Unaudited 未審核					
			Attributable to owners of the Company 本公司權益持有者應佔					
		Note 附註	Share capital 股本	Other reserves 其他儲備	Retained earnings 留存收益	Total 總計	Non-controlling interests 非控制性權益	Total equity 權益合計
Balance at 1 January 2010	**於二零一零年一月一日的結餘**		2,501,364	1,192,190	3,475,204	7,168,758	291,992	7,460,750
Comprehensive income	**綜合收益**							
Profit for the period	期內溢利		–	–	797,994	797,994	73,770	871,764
Other comprehensive income	**其他綜合收益**							
Fair value losses on available-for-sale financial assets	可供出售金融資產的公允價值虧損		–	(23,915)	–	(23,915)	–	(23,915)
Total comprehensive income	**綜合收益合計**		–	(23,915)	797,994	774,079	73,770	847,849
Transactions with owners	**與權益持有者的交易**							
Employee share option scheme:	僱員購股權計劃：							
– Value of employee services	－僱員服務的價值	*16*	–	30,912	–	30,912	–	30,912
– Proceeds from shares issued	－發行股份所得款項		642	–	–	642	–	642
Profit appropriation to statutory reserves	向法定儲備作出的溢利分配		–	6,335	(6,335)	–	–	–
Dividends relating to 2009	二零零九年股息		–	–	(221,834)	(221,834)	(5,731)	(227,565)
Transaction with non-controlling interests	與非控制性權益的交易		–	–	–	–	41,137	41,137
Total transactions with owners	**與權益持有者的交易合計**		642	37,247	(228,169)	(190,280)	35,406	(154,874)
Balance at 30 June 2010	**於二零一零年六月三十日的結餘**		2,502,006	1,205,522	4,045,029	7,752,557	401,168	8,153,725
Balance at 1 January 2011	**於二零一一年一月一日的結餘**		2,502,006	1,278,429	4,289,327	8,069,762	450,012	8,519,774
Comprehensive income	**綜合收益**							
Profit for the period	期內溢利		–	–	1,154,530	1,154,530	140,894	1,295,424
Other comprehensive income	**其他綜合收益**							
Fair value gains on available-for-sale financial assets	可供出售金融資產的公允價值收益		–	28,766	–	28,766	–	28,766
Total comprehensive income	**綜合收益合計**		–	28,766	1,154,530	1,183,296	140,894	1,324,190
Transactions with owners	**與權益持有者的交易**							
Employee share option scheme:	僱員購股權計劃：							
– Value of employee services	－僱員服務的價值	*16*	–	24,315	–	24,315	–	24,315
Establishment of a subsidiary	設立一間附屬公司	*6(iii)*	–	–	–	–	49,000	49,000
Acquisition of a subsidiary	收購一間附屬公司	*25*	–	–	–	–	53,053	53,053
Dividends relating to 2010	二零一零年股息		–	–	(263,721)	(263,721)	(39,569)	(303,290)
Total transactions with owners	**與權益持有者的交易合計**		–	24,315	(263,721)	(239,406)	62,484	(176,922)
Balance at 30 June 2011	**於二零一一年六月三十日的結餘**		**2,502,006**	**1,331,510**	**5,180,136**	**9,013,652**	**653,390**	**9,667,042**

The notes on page 42 to 96 form an integral part of this condensed consolidated interim financial information.

第42至96頁的附註為本簡明合併中期財務資料的整體部分。

Interim Condensed Consolidated Statement of Cash Flows
中期簡明合併現金流量表

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

		Unaudited 未審核 Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年	2010 二零一零年
Net cash (used in)/generated from operating activities	經營活動(所耗)／產生的現金淨額	**(262,492)**	618,986
Net cash used in investing activities	投資活動所耗的現金淨額	**(527,703)**	(172,210)
Net cash generated from/(used in) financing activities	融資活動產生／(所耗)的現金淨額	**572,408**	(275,807)
Net (decrease)/increase in cash and cash equivalents	**現金及現金等價物(減少)／增加淨額**	**(217,787)**	170,969
Cash and cash equivalents as at 1 January	於一月一日現金及現金等價物	**2,223,245**	644,030
Effect of foreign exchange rate changes	外幣匯率變動的影響	**(15,019)**	(1,644)
Cash and cash equivalents as at 30 June	**於六月三十日現金及現金等價物**	**1,990,439**	813,355

The notes on page 42 to 96 form an integral part of this condensed consolidated interim financial information.

第42至96頁的附註為本簡明合併中期財務資料的整體部分。

Notes to the Interim Condensed Consolidated Financial Information
中期簡明合併財務資料附註

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

1 GENERAL INFORMATION

China Oriental Group Company Limited (the "Company") was incorporated in Bermuda on 3 November 2003 as an exempted company with limited liability under the Companies Act 1981 of Bermuda as a result of a group reorganisation.

The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

Following the completion of the global offering, the Company's shares were listed on The Stock Exchange of Hong Kong Limited on 2 March 2004.

The Company together with its subsidiaries are hereinafter collectively referred to as the Group. The Group is mainly engaged in the manufacture and sales of iron and steel products. The Group has manufacturing plants in Hebei Province and Guangdong Province of the People's Republic of China (the "PRC") and sells mainly to customers located in the PRC.

This condensed consolidated interim financial information was presented in RMB thousand, unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 9 August 2011.

This condensed consolidated interim financial information has not been audited.

1 一般資料

中國東方集團控股有限公司(「本公司」)於二零零三年十一月三日根據百慕達一九八一年公司法在百慕達註冊成立為獲豁免有限責任公司，並因而完成一項集團重組。

本公司的註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

於全球售股完成後，本公司股份於二零零四年三月二日在香港聯合交易所有限公司上市。

本公司及其附屬公司於下文中合稱本集團。本集團主要從事生產及銷售鋼鐵產品。本集團在中華人民共和國(「中國」)河北省及廣東省設有生產廠房，並主要針對位於中國的客戶進行銷售。

除另有指明外，本簡明合併中期財務資料的金額均以人民幣千元為單位。本簡明合併中期財務資料已於二零一一年八月九日獲批准刊發。

本簡明合併中期財務資料未經審核。

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2011 has been prepared in accordance with HKAS 34, 'Interim financial reporting'. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

2 編制基準

此截至二零一一年六月三十日止六個月的簡明合併中期財務資料乃按照香港會計準則第34號「中期財務報告」編製。此簡明合併中期財務資料應與截至二零一零年十二月三十一日止年度的年度財務報表(乃按照香港財務報告準則(「香港財務報告準則」)編製)一併閱覽。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied in this condensed consolidated interim financial information are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards adopted by the Group

The following new standard and amendment to standard are mandatory for the first time for the financial year beginning 1 January 2011:

- Amendment to HKAS 34 'Interim financial reporting' is effective for annual periods beginning on or after 1 January 2011. It emphasises the existing disclosure principles in HKAS 34 and adds further guidance to illustrate how to apply these principles. Greater emphasis has been placed on the disclosure principles for significant events and transactions. Additional requirements cover disclosure of changes to fair value measurement (if significant), and the need to update relevant information from the most recent annual report. The change in accounting policy only results in additional disclosures.

3 會計政策

除下述者外，編製本簡明合併中期財務資料所採納的會計政策乃與截至二零一零年十二月三十一日止年度的年度財務報表所採納者一致，此等會計政策載述於該等年度財務報表。

中期所得稅稅率採用適用於預期全年總溢利之稅率計算。

(a) 本集團採納的新訂和經修改準則

以下新訂和經修改的準則必須在二零一一年一月一日開始的財務年度首次採用。

- 香港會計準則第34號「中期財務報告」的修改於二零一一年一月一日或之後開始的年度期間生效。該修訂強調香港會計準則第34號的現有披露原則及增加其他指引以説明如何應用該等原則。其更加強調重大事件及交易的披露原則。額外規定涵蓋公允價值計量變動（如重大）的披露及更新自最近期年報以來的相關資料的需要。會計政策變動僅導致額外披露。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

3 ACCOUNTING POLICIES *(continued)*

(b) Amendments and interpretations to existing standards effective in 2011 but not relevant to the Group

- HKAS 24 (Revised), "Related Party Disclosures" is effective for annual period beginning on or after 1 January 2011. It introduces an exemption from all of the disclosure requirements of HKAS 24 for transactions among government related entities and the government. Those disclosures are replaced with a requirement to disclose:

  o The name of the government and the nature of their relationship;

  o The nature and amount of any individually significant transactions; and

  o The extent of any collectively-significant transactions qualitatively or quantitatively.

  It also clarifies and simplifies the definition of a related party. This is not relevant to the Group, as it is not a government related entity.

- Amendment to HKAS 32 'Classification of rights issues' is effective for annual periods beginning on or after 1 February 2010. This is not currently applicable to the Group, as it has not made any rights issue.

3 會計政策*（續）*

(b) 於二零一一零年生效但與本集團無關的準則修改和對現有準則的解釋

- 香港會計準則第24號（經修訂）「關聯方披露」於二零一一年一月一日及其後開始的年度期間生效。該修訂準則豁免香港會計準則第24號有關政府相關實體與政府進行交易的所有披露規定。該等披露由一項披露規定取代：

  o 政府名稱及與彼等關係的性質；

  o 任何個別重大交易的性質和金額；及

  o 整體而言在意義上或數額上屬重大的交易影響程度。

  此修訂亦釐清及簡化對關連方的定義。由於本集團並非政府相關實體，所以該修訂準則不涉及本集團。

- 香港會計準則第32號「配股的分類」的修訂於二零一零年二月一日及其後開始的年度期間生效。由於本集團無進行供股，所以現時該修改不適用於本集團。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

3 ACCOUNTING POLICIES *(continued)*

(b) Amendments and interpretations to existing standards effective in 2011 but not relevant to the Group *(continued)*

- Amendment to HK(IFRIC)-Int 14 'Prepayments of a minimum funding requirement' is effective for annual periods beginning on or after 1 January 2011. This is not currently relevant to the Group, as it does not have a minimum funding requirement.

- HK(IFRIC)-Int 19 'Extinguishing financial liabilities with equity instruments' is effective for annual periods beginning on or after 1 July 2010. This is not currently applicable to the Group, as it has no extinguishment of financial liabilities replaced with equity instruments currently.

- Third improvements to Hong Kong Financial Reporting Standards (2010) were issued in May 2010 by both IASB and the HKICPA, except for amendment to HKAS 34 'Interim financial reporting' as disclosed in note 3(a) and the clarification to allow the presentation of an analysis of the components of other comprehensive income by item within the notes, all are not currently relevant to the Group. All improvements are effective in the financial year of 2011.

3 會計政策*(續)*

(b) 於二零一一零年生效但與本集團無關的準則修改和對現有準則的解釋*(續)*

- 香港(國際財務報告解釋委員會)－解釋公告第14號「最低資金規定的預付款」的修改於二零一一年一月一日及其後開始的年度期間生效。由於本集團無最低資金規定的預付款,所以該修改與本集團不相關。

- 香港(國際財務報告解釋委員會)－解釋公告第19號「以權益工具取代金融負債」於二零一零年七月一日及其後開始的年度期間生效。由於本集團目前並無金融負債需被權益工具取代,所以目前該公告不適用於本集團。

- 國際會計標準局及香港會計師公會已於二零一零年五月頒佈香港財務報告準則的第三次改進(二零一零年),附註3(a)披露的香港會計準則第34號「中期財務報告」及允許在附註內按項目呈列其他綜合收益組成分析的澄清除外,其他所有修訂目前均與本集團不相關。所有改進於二零一一年財政年度生效。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

3 ACCOUNTING POLICIES *(continued)*

(c) The following new standards and amendments to standards have been issued but are not effective for the financial year beginning on 1 January 2011 and have not been early adopted:

- HKFRS 9, 'Financial instruments' addresses the classification, measurement and derecognition of financial assets and financial liabilities.

- HKAS 12 (Amendment) 'Deferred tax: Recovery of underlying assets' introduces an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value.

- HKFRS 7 (Amendment) 'Disclosures – Transfers of financial assets' introduces new disclosure requirement on transfers of financial assets.

3 會計政策*(續)*

(c) 下列是已發出但在二零一一年一月一日開始的財務年度仍未生效的新準則和對現有準則的修改和解釋,而本集團並無提早採納:

- 香港財務報告準則第9號「金融工具」針對金融工具的分類、計量及取消確認金融資產及金融負債。

- 香港會計準則第12號(修改)「遞延所得稅:相關資產的收回」引入豁免計量按公允價值計量的投資物業所產生的遞延稅項資產或負債的原則。

- 香港財務報告準則第7號(修改)「披露-轉移金融資產」引入轉移金融資產的新披露規定。

4 ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2010.

4 估算

中期財務報表的編製需要管理層就對會計政策運用、資產及負債、收入及支出的列報額有影響的事宜作出判斷、估計及假設。實際業績可能有別於此等估算。

編製該等簡明綜合中期財務報表時由管理層對本集團在會計政策的應用及主要不明確數據的估計所作出的重要判斷與截至二零一零年十二月三十一日止年度的綜合財務報表所作出的相同。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2010.

There have been no changes in the risk management department since year end or in any risk management policies.

5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5 財務風險管理

5.1 財務風險因素

本集團業務面臨多種財務風險：市場風險（包括貨幣風險、公允價值利率風險、現金流量利率風險及價格風險）、信貸風險及流動資金風險。

中期簡明綜合財務報表並不包括年度財務報表規定須予披露的所有財務風險管理資料及披露資料，並應與本集團截至二零一零年十二月三十一日的年度財務報表一併閱讀。

年終，風險管理部門或任何風險管理政策均無變動。

5.2 流動資金風險

與年終相比，金融負債的合約未折現現金流出並無重大變動。

5.3 公允價值估算

下表以估值方法分析按公允價值計量的金融工具。不同級別的定義如下：

- 相同資產或負債在交投活躍市場的報價（未經調整）（第一級）。
- 有關資產或負債的輸入值並非包括於第一級內的報價，惟可直接（即價格）或間接（即自價格引伸）被觀察（第二級）。
- 有關資產或負債的輸入值並非依據可觀察的市場數據（即無法觀察的輸入值）（第三級）。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

5 FINANCIAL RISK MANAGEMENT *(continued)*

5 財務風險管理*（續）*

5.3 Fair value estimation *(continued)*

5.3 公允價值估算*（續）*

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2011.

下表呈列本集團於二零一一年六月三十日以公允價值計量之資產及負債。

		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 合計
Assets	**資產**				
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表的金融資產				
– Trading funds	– 貿易資金	139	–	–	139
Available-for-sale financial assets	可供出售的金融資產				
– Equity securities *(Note 9)*	– 股本證券*（附註9）*	80,333	–	–	80,333
Total assets	**資產合計**	80,472	–	–	80,472

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2010.

下表呈列本集團於二零一零年十二月三十一日以公允價值計量之資產及負債。

		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 合計
Assets	**資產**				
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表的金融資產				
– Trading funds	– 貿易資金	131	–	–	131
Available-for-sale financial assets	可供出售的金融資產				
– Equity securities *(Note 9)*	– 股本證券*（附註9）*	51,567	–	–	51,567
Total assets	**資產合計**	51,698	–	–	51,698

In 2011 there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities.

於二零一一年，對本集團金融資產及金融負債的公允價值產生影響的業務或經濟形勢並無重大變動。

In 2011 there were no reclassifications of financial assets.

於二零一一年，金融資產並無重新分類。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP

6 本集團的主要附屬公司

The principal subsidiaries at 30 June 2011 were as follows:

於二零一一年六月三十日主要附屬公司如下：

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Gold Genesis Development Limited ("Gold Genesis")	British Virgin Islands ("BVI") 英屬維爾京群島（「英屬維爾京群島」） 21 February 2003 二零零三年二月二十一日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$1 1美元	US$50,000 50,000美元	Investment holding 投資控股
Good Lucky Enterprises Limited ("Good Lucky")	BVI 英屬維爾京群島 21 February 2003 二零零三年二月二十一日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$1 1美元	US$50,000 50,000美元	Investment holding 投資控股
First Glory Services Limited ("First Glory")	BVI 英屬維爾京群島 16 October 2003 二零零三年十月十六日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$2 2美元	US$50,000 50,000美元	Investment holding 投資控股
Accordpower Investments Limited ("Accordpower")	BVI 英屬維爾京群島 30 November 2004 二零零四年十一月三十日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$2 2美元	US$50,000 50,000美元	Investment holding 投資控股
Fullhero Investments Limited ("Fullhero") 英豐投資有限公司（「英豐投資」）	BVI 英屬維爾京群島 3 May 2005 二零零五年五月三日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$2 2美元	US$50,000 50,000美元	Investment holding 投資控股

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*

6 本集團的主要附屬公司*（續）*

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Hebei Jinxi Iron and Steel Group Company Limited ("Jinxi Limited") 河北津西鋼鐵集團股份有限公司（「津西鋼鐵」）	PRC 中國 24 December 1999 一九九九年十二月二十四日	Joint stock company with limited liability 股份有限責任公司	97.6% (Indirectly held) （間接持有）	RMB 228,640,000 人民幣 228,640,000元	RMB 228,640,000 人民幣 228,640,000元	Manufacture and sales of iron and steel products 生產及銷售鋼鐵產品
Foshan Jin Xi Jin Lan Cold Rolled Sheet Company Limited ("Jinxi Jinlan") 佛山津西金蘭冷軋板有限公司（「津西金蘭」）	PRC 中國 26 December 2003 二零零三年十二月二十六日	Limited liability company 有限責任公司	80.28% (Indirectly held) （間接持有）	US$55,150,000 55,150,000美元	US$55,150,000 55,150,000美元	Manufacture and sales of iron and steel products 生產及銷售鋼鐵產品
Oriental Fullhero Leasing Co., Ltd ("Shenzhen Leasing") 東方英豐租賃有限公司（「深圳租賃」）	PRC 中國 23 September 2005 二零零五年九月二十三日	Limited liability company 有限責任公司	100% (Indirectly held) （間接持有）	US$65,000,000 65,000,000美元	US$65,000,000 65,000,000美元	Leasing and financial leasing 租賃及融資租賃
Hebei Jinxi Section Steel Company Limited ("Jinxi Section Steel") 河北津西型鋼有限公司（「津西型鋼」）	PRC 中國 30 May 2008 二零零八年五月三十日	Limited liability company 有限責任公司	78.08% (Indirectly held) （間接持有）	RMB350,000,000 人民幣 350,000,000元	RMB350,000,000 人民幣 350,000,000元	Manufacture and sales of iron and steel products 生產及銷售鋼鐵產品
Jinxi Hong Kong Trading Company Limited ("HK Trading") 津西香港進出口有限公司（「香港進出口」）	Hong Kong 香港 27 October 2008 二零零八年十月二十七日	Limited liability company 有限責任公司	97.6% (Indirectly held) （間接持有）	HK$ 38,770,501 38,770,501港元	HK$ 80,000,000 80,000,000港元	Import and export of goods 進出口貨物

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*

6 本集團的主要附屬公司*（續）*

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Suifenhe City Jinyin Trading Co., Ltd. ("Jinyin Trading") (i) 綏芬河市津銀貿易有限公司（「津銀貿易」）(i)	PRC 中國 24 September 2008 二零零八年九月二十四日	Limited liability company 有限責任公司	78.08% (Indirectly held) （間接持有）	RMB10,000,000 人民幣10,000,000元	RMB10,000,000 人民幣10,000,000元	Import and export of goods and technology 進出口貨物及技術
Hebei Jinxi Iron and Steel Group Zhengda Iron and Steel Co., Ltd. ("Zhengda Iron and Steel") 河北津西鋼鐵集團正達鋼鐵有限公司（「正達鋼鐵」）	PRC 中國 19 December 2008 二零零八年十二月十九日	Limited liability company 有限責任公司	69.3% (Indirectly held) （間接持有）	RMB50,000,000 人民幣50,000,000元	RMB50,000,000 人民幣50,000,000元	Manufacture and sales of iron and steel products 生產及銷售鋼鐵產品
Tangshan Fengrun Qu Tong Yuan Trading Company Limited ("Tong Yuan Trading") 唐山市豐潤區通遠商貿有限公司（「通遠商貿」）	PRC 中國 22 May 2009 二零零九年五月二十二日	Limited liability company 有限責任公司	69.3% (Indirectly held) （間接持有）	RMB100,000 人民幣100,000元	RMB100,000 人民幣100,000元	Purchase and sale of ferrous metal and coke 買賣黑色金屬及焦炭
Hebei Jinxi Boyuan Real Estate Co., Ltd. ("Boyuan Real Estate") 河北津西博遠房地產開發有限公司（「博遠房地產」）	PRC 中國 17 December 2009 二零零九年十二月十七日	Limited liability company 有限責任公司	58.56% (Indirectly held) （間接持有）	RMB100,000,000 人民幣100,000,000元	RMB100,000,000 人民幣100,000,000元	Development and sales of real estate 開發及銷售房地產

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*

6 本集團的主要附屬公司*（續）*

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Clear Precision Limited ("Clear Precision") 明達有限公司（「明達公司」）	BVI 英屬維爾京群島 22 July 2010 二零一零年七月二十二日	Limited liability company 有限責任公司	100% (Directly held) （直接持有）	US$ 2 2美元	US$ 50,000 50,000美元	Investment holding 投資控股
Beijing Jinxi Investment Holding Co., Ltd. ("Beijing Jinxi Investment") 北京津西投資控股有限公司（「北京津西投資」）	PRC 中國 26 August 2010 二零一零年八月二十六日	Limited liability company 有限責任公司	97.6% (Indirectly held) （間接持有）	RMB 100,000,000 人民幣100,000,000元	RMB 100,000,000 人民幣100,000,000元	Investment holding 投資控股
Oriental Evertrust Finance Leasing Co., Ltd. ("Oriental Evertrust") 東方信遠融資租賃有限公司（「東方信遠」）	PRC 中國 27 September 2010 二零一零年九月二十七日	Limited liability company 有限責任公司	100% (Indirectly held) （間接持有）	US$ 200,000,000 200,000,000美元	US$ 200,000,000 200,000,000美元	Financial leasing and leasing 金融租賃及租賃
Oriental Green Energy-Saving Environmental Protection Engineering Co., Ltd. ("Oriental Green") 東方綠源節能環保工程有限公司（「東方綠源」）	PRC 中國 20 October 2010 二零一零年十月二十日	Limited liability company 有限責任公司	97.6% (Indirectly held) （間接持有）	RMB 50,000,000 人民幣50,000,000元	RMB 50,000,000 人民幣50,000,000元	Environmental Protection Engineering 環境保護工程

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*

6 本集團的主要附屬公司*（續）*

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Hebei Jinshun Energy-Saving Technology Development Co., Ltd. ("Jinshun Energy-Saving") 河北津順節能技術開發有限公司(「津順節能」)	PRC 中國 17 November 2010 二零一零年十一月十七日	Limited liability company 有限責任公司	97.6% (Indirectly held) （間接持有）	RMB 100,000,000 人民幣100,000,000元	RMB 100,000,000 人民幣100,000,000元	Research and development on recycling and energy-saving technology and other recycling business 研發循環及節能技術及其他循環業務
Beijing Jinxi Boyuan Real Estate Co., Ltd ("Beijing Real Estate") 北京津西博遠房地產開發有限公司(「北京房地產」)	PRC 中國 18 November 2010 二零一零年十一月十八日	Limited liability company 有限責任公司	97.6% (Indirectly held) （間接持有）	RMB 100,000,000 人民幣100,000,000元	RMB 100,000,000 人民幣100,000,000元	Development and sales of real estate 開發及銷售房地產
China Oriental Singapore Pte. Ltd. ("China Oriental Singapore")	Singapore 新加坡 29 November 2010 二零一零年十一月二十九日	Limited liability company 有限責任公司	100% (Indirectly held) （間接持有）	US$ 1 1美元	Not applicable 不適用	Trading of iron ore and related products 買賣鐵礦石及相關產品

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*
6 本集團的主要附屬公司*（續）*

Name 名稱	Place and date of incorporation 註冊成立地點及日期	Legal status 法定實體類別	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Hebei Jinxi Iron and Steel Group Dafang Heavy Industry Science and Technology Co., Limited ("Jinxi Dafang") (ii) 河北津西鋼鐵集團大方重工科技有限公司（「津西大方」）(ii)	PRC 中國 27 November 2003 二零零三年十一月二十七日	Limited liability company 有限責任公司	50.832% (Indirectly held) （間接持有）	RMB 79,216,556 人民幣79,216,556元	RMB 79,216,556 人民幣79,216,556元	Manufacture and sales of casting products and equipment maintenance 生產及銷售鑄造產品及設備維護
Beijing Zhongye Jinxi Development Co., Ltd. ("Zhongye Jinxi") (iii) 北京中冶津西發展有限公司（「中冶津西」）(iii)	PRC 中國 16 March 2011 二零一一年三月十六日	Limited liability company 有限責任公司	49.77% (Indirectly held) （間接持有）	RMB 100,000,000 人民幣100,000,000元	RMB 100,000,000 人民幣100,000,000元	Development and sales of real estate 房地產開發與銷售
Jinxi International Trade Co., Ltd. ("Jinxi International Trade") (iv) 津西國際貿易有限公司（「津西國際貿易」）(iv)	PRC 中國 23 March 2011 二零一一年三月二十三日	Limited liability company 有限責任公司	93.7% (Indirectly held) （間接持有）	RMB 100,000,000 人民幣100,000,000元	RMB 100,000,000 人民幣100,000,000元	International trading 國際貿易
Tangshan Fengnan Qu Yun Da Trading Co., Ltd. ("Yun Da Trading") (v) 唐山市豐南區運達商貿有限公司（「運達商貿」）(v)	PRC 中國 1 June 2011 二零一一年六月一日	Limited liability company 有限責任公司	78.08% (Indirectly held) （間接持有）	RMB 5,000,000 人民幣5,000,000元	RMB 5,000,000 人民幣5,000,000元	Purchase and sale of steel products 鋼產品買賣

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

6 PRINCIPAL SUBSIDIARIES OF THE GROUP *(continued)*

(i) On 1 February 2011, Jinxi Section Steel entered into a share transfer agreement with Jinxi Limited. Pursuant to the share transfer agreement, Jinxi Section Steel acquired 100% equity interest in Jinyin Trading at a consideration of RMB 10 million.

(ii) On 1 January 2011, the Company and Jinxi Limited, together acquired 51% equity interest in Jinxi Dafang, originally named "Tangshan Dafang Foundry Co., Ltd.", at a consideration of RMB 64 million (Note 25).

(iii) Zhongye Jinxi was incorporated on 16 March 2011 by Beijing Real Estate and Zhongye Times Real Estate Co., Ltd. ("Zhongye Times"). The paid-in capital of Zhongye Jinxi is RMB 100 million. Beijing Real Estate and Zhongye Times hold 51% and 49% of its equity interest respectively.

(iv) Jinxi International Trade was incorporated on 23 March 2011 by Jinxi Limited and Jinxi Section Steel. The paid-in capital of Jinxi International Trade is RMB 100 million. Jinxi Limited and Jinxi Section Steel hold 80% and 20% of its equity interest respectively.

(v) Yun Da Trading was incorporated on 1 June 2011 by Jinxi Section Steel solely. The paid-in capital of Yun Da Trading is RMB 5 million.

6 本集團的主要附屬公司*(續)*

(i) 二零一一年二月一日,津西型鋼與津西鋼鐵簽訂一份股份轉讓協議。根據該股份轉讓協議,津西型鋼以代價人民幣1,000萬元獲得100%津銀貿易權益。

(ii) 於二零一一年一月一日,本公司與津西鋼鐵以代價人民幣6,400萬元共同收購津西大方(前稱「唐山大方鑄造有限公司」)的51%股權(附註25)。

(iii) 中冶津西由北京房地產及中冶時代置業有限公司(「中冶時代」)於二零一一年三月十六日註冊成立。中冶津西的實繳股本為人民幣1.00億元。北京房地產及中冶時代分別持有51%及49%股權。

(iv) 津西國際貿易由津西鋼鐵與津西型鋼於二零一一年三月二十三日註冊成立。津西國際貿易的實繳股本為人民幣1.00億元。津西鋼鐵及津西型鋼分別持有80%及20%股權。

(v) 運達商貿由津西型鋼於二零一一年六月一日獨資註冊成立。運達商貿的實繳股本為人民幣500萬元。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

7 SALES AND SEGMENT INFORMATION

7 銷售額和分部資料

(a) Sales

(a) 銷售額

The Group is principally engaged in the manufacture and sales of iron and steel products. Sales recognised for the six months ended 30 June 2011 and 2010 were as follows:

本集團主要從事生產及銷售鋼鐵產品。截至二零一一年及二零一零年六月三十日止六個月確認的銷售額如下：

		For the six months ended 截至六月三十日止六個月	
		30 June 2011 二零一一年	30 June 2010 二零一零年
		Unaudited 未經審核	Unaudited 未經審核
Sales:	銷售額：		
Gross sales, less discounts and returns	銷售總額減折扣及退貨		
– H-section steel	－H型鋼	**7,024,178**	5,229,130
– Strips and strip products	－帶鋼及帶鋼類產品	**7,689,977**	5,896,319
– Cold rolled sheets and galvanised sheets	－冷軋板及鍍鋅板	**1,154,086**	899,354
– Billets	－鋼坯	**3,085,449**	3,332,486
– Rebar	－螺紋鋼	**665,762**	–
– Others	－其他	**76,487**	–
		19,695,939	15,357,289
Less: Taxes	減：稅項	**(44,359)**	(7,389)
		19,651,580	15,349,900

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

7 SALES AND SEGMENT INFORMATION *(continued)*

(b) Segment information

The chief operating decision-makers have been identified as the management committee, which comprises all executive directors and top management. The decision-maker reviews the Group's internal reporting in order to assess performance and allocate resources.

Based on these reports, the decision-maker considers the business from an industry perspective. From an industry perspective, the decision-maker assesses the performance of the iron and steel segment and the real estate segment.

(i) Iron and steel – Manufacture and sale of iron and steel; and

(ii) Real estate – Development and sale of properties.

The decision-maker assesses the performance of the operating segments based on a measure of revenue and operating profit. This measurement is consistent with that in the annual financial statements.

For the six months ended 30 June 2011, the properties of the real estate segment were still under development, and no sales revenue was recognised.

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets are determined after deducting related allowance that is reported as direct offsets in the balance sheet. Segment assets consist primarily of leasehold land and land use rights, property, plant and equipment, investment properties, intangible assets, investment in an associate, inventories, trade and notes receivables, prepayments, deposits and other receivables, other current assets, amounts due from related parties, restricted bank balances and cash and cash equivalents.

7 銷售額和分部資料*（續）*

(b) 分部資料

本公司首席營運決策人已獲確認為包括所有執行董事及最高管理層的管理委員會，決策人審閱本集團的內部報告以作評估業績表現及分配資源。

根據該等報告，決策人從行業角度考慮業務。從行業角度，決策人評估鋼鐵分部及房地產分部表現。

(i) 鋼鐵－製造及銷售鋼鐵；及

(ii) 房地產－開發及銷售物業。

決策人根據計量收入及經營溢利評估經營分部表現。該計量與年度財務報表一致。

截至二零一一年六月三十日止六個月，房地產分部物業仍處於發展中，房地產分部並無銷售收入確認。

分部資產乃分部用於其經營活動的經營資產。分部資產扣除以資產負債表中直接抵銷呈報的相關津貼後釐定。分部資產主要包括租賃土地及土地使用權、物業、廠房及設備、投資物業、無形資產、於一間聯營公司的投資、存貨、應收貿易款項及票據、預付款、按金及其他應收款項、其他流動資產、應收關聯方款項、受限制銀行結餘及現金及現金等價物。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

7 SALES AND SEGMENT INFORMATION *(continued)*

7 銷售額和分部資料*(續)*

(b) Segment information *(continued)*

(b) 分部資料*(續)*

Segment liabilities are those operating liabilities that result from the operating activities of a segment.

分部負債乃分部的經營活動所導致的經營負債。

The segment assets and liabilities as at 30 June 2011 are as follows:

二零一一年六月三十日的分部資產及負債如下:

		Iron and steel 鋼鐵	Real estate 房地產	Total 總計
			Unaudited 未經審核	
Total assets	**總資產**	21,905,310	535,400	22,440,710
Total assets includes:	總資產			
Investment in an associate	聯營公司投資	12,904	–	12,904
Segment assets for reportable segments	報告分部之分部資產			22,440,710
Unallocated:	**未分配:**			
Deferred income tax assets	遞延所得稅資產			104,765
Available-for-sale financial assets	可供出售金融資產			224,288
Financial assets at fair value through the profit or loss	以公允價值計量且其變動計入損益表的金融資產			139
Loan receivable	應收貸款			20,000
Total assets per balance sheet	**資產負債表的總資產**			22,789,902
Total liabilities	**總負債**	6,661,080	215,515	6,876,595
Segment liabilities for reportable segments	報告分部之分部負債			6,876,595
Unallocated:	**未分配:**			
Current income tax liabilities	當期應交所得稅			242,721
Current borrowings	流動借款			505,561
Non-current borrowings	非流動借款			5,493,848
Dividends payable	應付股息			4,135
Total liabilities per balance sheet	**資產負債表的總負債**			13,122,860

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

7 SALES AND SEGMENT INFORMATION *(continued)* 7 銷售額和分部資料（續）

(b) Segment information *(continued)* (b) 分部資料（續）

The segment assets and liabilities as at 31 December 2010 are as follows:

二零一零年十二月三十一日的分部資產及負債如下：

		Iron and steel 鋼鐵	Real estate 房地產 Audited 經審核	Total 總計
Total assets	**總資產**	20,239,503	264,271	20,503,774
Total assets includes:	總資產包括			
Investment in an associate	聯營公司投資	10,557	–	10,557
Segment assets for reportable segments	報告分部的分部資產			20,503,774
Unallocated:	**未分配：**			
Deferred income tax assets	遞延所得税資產			102,018
Available-for-sale financial assets	可供出售金融資產			116,172
Financial assets at fair value through the profit or loss	以公允價值計量且其變動計入損益表的金融資產			131
Loan receivable	應收貸款			20,000
Total assets per balance sheet	**資產負債表的總資產**			20,742,095
Total liabilities	**總負債**	5,749,651	93,651	5,843,302
Segment liabilities for reportable segments	報告分部的分部負債			5,843,302
Unallocated:	**未分配：**			
Current income tax liabilities	當期應交所得税			179,033
Current borrowings	流動借款			405,561
Non-current borrowings	非流動借款			5,791,030
Dividends payable	應付股息			3,395
Total liabilities per balance sheet	**資產負債表的總負債**			12,222,321

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

8 CAPITAL EXPENDITURE

8 資本開支

		Property, plant and equipment ("PP&E") 物業、廠房及設備	Leasehold land and land use rights 租賃土地及土地使用權	Investment properties 投資物業	Intangible assets 無形資產
		Unaudited 未經審核			
Six months ended 30 June 2011	**截至二零一一年六月三十日止六個月**				
Opening carrying amount as at 1 January 2011	**於二零一一年一月一日的期初賬面值**	7,946,548	116,949	16,789	36
Additions	添置	322,217	–	–	–
Acquisition of a subsidiary *(Note 25)*	收購一間附屬公司*(附註25)*	76,727	-	–	8,498
Disposals	處置	(30,857)	–	–	–
Depreciation and amortisation *(Note 21)*	折舊及攤銷*(附註21)*	(448,869)	(1,702)	(403)	(8)
Closing carrying amount as at 30 June 2011	**於二零一一年六月三十日的期終賬面值**	7,865,766	115,247	16,386	8,526
Six months ended 30 June 2010	**截至二零一零年六月三十日止六個月**				
Opening carrying amount as at 1 January 2010	**於二零一零年一月一日的期初賬面值**	8,625,585	73,139	17,595	–
Additions	添置	59,620	–	–	40
Disposals	處置	(14,837)	–	–	–
Depreciation and amortisation *(Note 21)*	折舊及攤銷*(附註21)*	(440,661)	(825)	(402)	(7)
Closing carrying amount as at 30 June 2010	**於二零一零年六月三十日的期終賬面值**	8,229,707	72,314	17,193	33

Notes to the Interim Condensed Consolidated Financial Information
中期簡明合併財務資料附註

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS　9 可供出售金融資產

		As at 於 30 June 2011 二零一一年六月三十日 Unaudited 未經審核	As at 於 31 December 2010 二零一零年十二月三十一日 Audited 經審核
Unlisted equity interests	非上市權益	**252,705**	188,100
Additions (ii)	添置(ii)	**79,350**	64,605
Less: provision for impairment (i)	減：減值撥備	**(188,100)**	(188,100)
Net	淨值	**143,955**	64,605
Listed equity interests (iii)	上市權益(iii)	**51,567**	96,148
Less: provision for impairment	減：減值撥備	**–**	(36,128)
Add/(less): fair value gains/(losses) transfer to/(from) equity *(Note 16)*	加╱（減）：公允價值收益╱（虧損）轉撥至╱（自）權益*（附註16）*	**28,766**	(8,453)
Net	淨值	**80,333**	51,567
Total	總計	**224,288**	116,172
Less: non-current portion of available-for-sale financial assets	減：可供出售金融資產的非即期部分	**(224,288)**	(116,172)
Current portion of available-for-sale financial assets	可供出售金融資產的即期部分	**–**	–

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

(i) The Group has an investment amounting to RMB 188 million, which represents 51% equity interest in Qianxi County Jinjin Mine Co., Ltd. ("Jinjin Mine"), an unlisted company in the PRC.

In December 2008, Jinxi Limited entered into certain cooperation agreements (the "Cooperation Agreement I") with the other shareholder of Jinjin Mine. Pursuant to the Cooperation Agreement I, from the incorporation date of 5 August 2008 to 31 January 2011 (the "Lease Period"), Jinxi Limited conveyed to the other shareholder of Jinjin Mine (the "Lessee") all the voting rights on the financial and operating policies of Jinjin Mine.

In August 2010, Jinxi Limited entered into a supplementary agreement with the lessee to extend the Lease Period to 30 September 2011.

The Lessee is exclusively entitled to the profit or loss and net assets accumulated during the Lease Period in return for paying a lease expense to Jinxi Limited. The Lessee is also responsible for preserving and increasing the value of the net assets of Jinjin Mine at the end of Lease Period. The lease expenses are determined based on the local iron powder market price and are to be adjusted quarterly.

In the opinion of the Directors of the Company, the Group is not able to exercise any significant influence on Jinjin Mine during the Lease Period and hence the investment in Jinjin Mine was recognised as available-for-sale financial assets for the six months ended 30 June 2011 and for the year ended 31 December 2010.

9 可供出售金融資產*(續)*

(i) 本集團擁有一項達人民幣188,000,000元的投資，佔一間中國非上市公司遷西縣津金礦業有限公司(「津金礦業」)的51%股權。

於二零零八年十二月，津西鋼鐵與津金礦業的另一股東訂立若干合作協議(「第一份合作協議」)。根據第一份合作協議，自註冊成立日期(即二零零八年八月五日)起至二零一一年一月三十一日(「租賃期間」)，津西鋼鐵授予津金礦業的另一股東(「承租人」)有關津金礦業的財務及經營政策的所有投票權。

於二零一零年八月，津西鋼鐵與承租人訂立一項補充協議，將租賃期間延長至二零一一年九月三十日。

承租人於租賃期間內獨家享有累計溢利或虧損及資產淨值，作為向津西鋼鐵支付租賃開支的回報。承租人亦負責於租賃期間結束時保持及增加津金礦業的淨資產價值。該等租賃開支乃根據當地鐵粉市場價格釐定並按季度進行調整。

本公司董事認為，本集團並不能在租賃期間對津金礦業行使任何重大影響，因此，截至二零一一年六月三十日止六個月及截至二零一零年十二月三十一日止年度已確認於津金礦業的投資為可供出售金融資產。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

(i) *(continued)*

As at 30 June 2011, the Directors of the Company noted that there were impairment indications on the cost of the investment in Jinjin Mine as follows:

a. Most of the lease income under the Cooperation Agreement I was due but not received.

b. The recoverability of the payment for mining rights, which accounted for a significant part of Jinjin Mine's net assets, became very uncertain as the licence of mining rights is unlikely to be obtained.

The available-for-sale financial assets were fully impaired as the Directors of the Company believed that these impairment factors would still exist and no value of the financial assets could be recovered in foreseeable future.

(ii) The addition of the Group's unlisted equity interest for six months ended 30 June 2011 amounting to RMB 45 million represents a further investment in Caofeidian Port Company Limited, a company with the registered capital of RMB 950 million. As at 30 June 2011, the investment in Caofeidian Port Company Limited amounts to RMB 95 million, representing a 10% shareholding.

9 可供出售金融資產*（續）*

(i) *（續）*

於二零一一年六月三十日，本公司董事留意到有跡象顯示津金礦業的投資成本出現減值：

a. 第一份合作協議項下的大多數租賃收入已到期但仍未收取。

b. 由於不大可能獲得採礦權許可證，採礦權付款是否可收回（佔津金礦業淨資產的重大部分）存在重大不明朗因素。

由於本公司董事認為該等減值因素依然存在及金融資產並無價值可於可見未來收回，可供出售金融資產獲全數減值。

(ii) 截至二零一一年六月三十日止六個月，本集團新增未上市股權達人民幣4,500萬元，指對唐山市曹妃甸礦石碼頭有限公司的進一步投資，該公司註冊資本為人民幣9.50億元。於二零一一年六月三十日，於唐山市曹妃甸礦石碼頭有限公司的投資額達人民幣9,500萬元，佔其10%股權。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

(ii) *(continued)*

The addition amounting to RMB 34 million represents the Group's 51% equity interest of Tangshan Fei Cheng Kuang Ye Limited, Qianxi County Xin Ye Machinery Casting Limited, Qianxi County Hong Yuan Trading Limited, Qianxi County Fu Cheng Trading Limited and Qianxi County Xin Cheng Trading Limited (the "Five Companies").

In January 2011, Jinxi Limited entered into a cooperation agreement (the "Cooperation Agreement II") with an individual ("Mr. Wei"). Pursuant to the Cooperation Agreement II, from 1 March 2011 to 28 February 2017 (the "Grant Period"), Jinxi Limited conveyed to Mr. Wei, the voting rights relating to the financial and operating policies of the Five Companies as well as Tangshan Jinxi Mining Company Limited ("Jinxi Mining").

Mr. Wei is exclusively entitled to the profit and net assets accumulated by the Five Companies and Jinxi Mining during the Grant Period. As a return, Mr. Wei pays an annual cash consideration of RMB 33 million during the Grant Period and a deposit of RMB 10 million, which is refundable after 28 February 2017 *(Note 20)*.

The RMB 33 million annual consideration is recorded as deferred revenue and recognised in the income statement on a straight-line basis over the Grant Period.

9 可供出售金融資產*（續）*

(ii) *（續）*

新增人民幣3,400萬元指本集團於唐山飛成礦業有限公司、遷西縣昕冶機械鑄造有限公司、遷西縣宏遠貿易有限公司、遷西縣富成貿易有限公司和遷西縣鑫成貿易有限公司（「五大公司」）的51%股權。

於二零一一年一月，津西鋼鐵與獨立人士（「魏先生」）訂立第二份合作協議（「第二份合作協議」）。根據第二份合作協議，自二零一一年三月一日起至二零一七年二月二十八日止（「授予期間」），津西鋼鐵將五大公司及唐山市津西礦業有限公司（「津西礦業」）的財務及經營決策的投票權授予魏先生。

於授予期間，魏先生對五大公司及津西礦業的累積溢利及資產淨值享有獨家權利。作為回報，魏先生於授予期間每年支付現金代價人民幣3,300萬元及支付可於二零一七年二月二十八日歸還的按金人民幣1,000萬元（附註20）。

人民幣3,300萬元的代價記錄為遞延收入及於授予期間按直線基準於收益表確認。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

(ii) *(continued)*

In the opinion of the Directors of the Company, the Group cannot exercise any significant influence on the Five Companies as well as Jinxi Mining and hence has classified the Five Companies as available-for-sale financial assets of the Group.

The unlisted equity interest offers return through the lease income. As the investment does not have any quoted market price in the active market, the range of reasonable fair value estimate is so significant and the probabilities of the various estimates cannot be reasonably assessed, the Directors of the Company are of the opinion that its fair values cannot be reliably measured. Therefore, these investments are stated at cost less impairment, if any.

(iii) The Group's listed equity interest represented an investment in Asia Energy Logistics Group Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited. The Group holds 600,000,000 ordinary shares of the investee, representing a 4.67% shareholdings.

The fair value of the listed equity interest was determined on the basis of its quoted market prices at the balance sheet date.

9 可供出售金融資產*（續）*

(ii) *（續）*

本公司董事認為，本集團不能對五大公司及津西礦業行使任何重大影響，因此已將該等公司分類為本集團可供出售金融資產。

非上市權益，透過租賃收入提供回報。由於該等投資於活躍市場並無任何市場報價，公允價值合理估計的範圍相當廣闊，而對各項估計的可能性無法合理作出評估，故本公司董事認為其公允價值無法可靠計量。因此，該等投資按成本扣減減值（如有）列帳。

(iii) 本集團的上市權益指於亞洲能源物流集團有限公司（一間在香港聯合交易所有限公司主板上市的公司）的投資。本集團擁有投資對象的600,000,000股普通股，佔4.67%的股權。

上市權益公允價值乃根據其於結算日的市場報價釐定。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

10 PROPERTIES UNDER DEVELOPMENT
10 在建物業

		As at 於 30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Properties under development comprise:	發展中物業包括：		
– Construction costs	一建築成本	**141,468**	111,195
– Land use rights	一土地使用權	**135,505**	135,505
		276,973	246,700

The properties under development are all located in the PRC. The related land use rights are on leases of 40 to 70 years.

發展中物業均位於中國。相關土地使用權租期為四十至七十年。

11 INVENTORIES
11 存貨

		As at 於 30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Raw materials and materials in-transit	原料及在運材料	**4,188,882**	3,383,136
Work-in-progress	半成品	**269,916**	418,821
Finished goods	製成品	**632,724**	283,788
		5,091,522	4,085,745

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

12 TRADE RECEIVABLES

12 應收貿易賬款

		As at 於	
		30 June 2011 **二零一一年六月三十日** **Unaudited** **未經審核**	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Accounts receivable	應收賬款	**193,124**	76,882

The credit policy usually adopted by the Group for the sales of iron and steel products to customers is to deliver goods either upon receipt in cash or letters of credit.

本集團執行的鋼鐵產品銷售信貸政策，通常為於收取現金或信用証時方會發貨予客戶。

As at 30 June 2011 and 31 December 2010, the ageing of trade receivables were all within three months.

於二零一一年六月三十日及二零一零年十二月三十一日，應收貿易賬款的賬齡均為三個月內。

As at 30 June 2011, accounts receivable amounting to approximately RMB 35 million (31 December 2010: nil) were guaranteed by letters of credit.

於二零一一年六月三十日，應收賬款約人民幣3,500萬元（二零一零年十二月三十一日：零）信用證予以擔保。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

13 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES
13 預付款項、按金及其他應收賬款

		As at 30 June 2011 於二零一一年六月三十日 Unaudited 未經審核	As at 31 December 2010 於二零一零年十二月三十一日 Audited 經審核
Non-current	**非流動**		
Prepayments for purchase of PP&E	購買物業、廠房及設備預付款項	336,784	264,663
Current	**流動**		
Prepayments for purchase of inventories	購買存貨預付款項	776,667	665,415
Deposits and other receivables	按金及其他應收賬款	151,393	253,862
Prepayment for land under development	在建土地預付款項	118,738	–
Less: Impairment provision of deposits	減：按金減值撥備	(21,305)	(21,305)
		1,025,493	897,972
		1,362,277	1,162,635

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

14 NOTES RECEIVABLE – BANK ACCEPTANCE NOTES

14 應收票據－銀行承兑匯票

		As at 於	
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Notes receivable – bank acceptance notes	應收票據－銀行承兑匯票	4,199,057	3,447,559

As at 30 June 2011, notes receivable of approximately RMB 30 million (31 December 2010: RMB 55 million) were pledged as security for issuing notes payable (Note 17).

於二零一一年六月三十日，其中約人民幣3,000萬元的應收票據（二零一零年十二月三十一日：人民幣5,500萬元）已為開具應付票據而抵押（附註17）。

The settlement of the notes receivables were guaranteed by banks with maturity dates within six months. The notes receivables can be convertible into cash and cash equivalent by paying discounting interests and the credit risks in respect of the notes receivables are considered to be low.

應收票據到期日為六個月內，其結算由銀行擔保。應收票據透過支付貼現利息可轉換為現金及現金等價物及有關應收票據的信貸風險被視為低。

As at 30 June 2011 and 31 December 2010, the ageing analysis of notes receivables was as follows:

於二零一一年六月三十日及二零一零年十二月三十一日，應收票據的賬齡分析如下：

		As at 於	
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Within 3 months	3個月內	**3,755,869**	3,090,341
4-6 months	4至6個月	**443,188**	357,218
		4,199,057	3,447,559

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外，所有金額均以人民幣千元為單位)

15 SHARE CAPITAL
15 股本

		Number of shares (thousands) 股份數目(千股)	Amount (unaudited) 金額(未經審核)		
			Ordinary shares 普通股	Share premium 股份溢價	Total 總計
As at 1 January 2011 and 30 June 2011	於二零一一年一月一日及二零一一年六月三十日	2,929,725	311,715	2,190,291	2,502,006
As at 1 January 2010	於二零一零年一月一日	2,929,200	311,669	2,189,695	2,501,364
Employee share option scheme: – issuance of shares *(Note 16(a))*	僱員購股權計劃：–股份發行 *(附註16(a))*	525	46	596	642
As at 30 June 2010	於二零一零年六月三十日	2,929,725	311,715	2,190,291	2,502,006

As at 30 June 2011 and 31 December 2010, the total number of authorised ordinary shares is 5,000,000,000 shares with a par value of HK$ 0.1 per share.

於二零一一年六月三十日及二零一零年十二月三十一日，法定普通股總數為5,000,000,000股為每股面值0.1港元的股份。

As at 30 June 2011, the number of issued and fully paid ordinary shares is 2,929,725,000 shares (31 December 2010: 2,929,725,000 shares).

於二零一一年六月三十日，已發行及繳足普通股的股份數目為2,929,725,000股(二零一零年十二月三十一日：2,929,725,000股)。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

16 OTHER RESERVES 16 其他儲備

		Merger reserve 合併儲備	Capital surplus 資本公積	Statutory reserve 法定儲備	Employee Share Options 僱員購股權 (a)	Available-for-sale financial assets 可供出售金融資產	Total 總計
				Unaudited 未經審核			
As at 1 January 2011	於二零一一年一月一日	(599)	19,144	1,004,948	254,936	–	1,278,429
Employee share option scheme:	僱員購股權計劃：						
– Value of employee services *(Note 21)*	－僱員服務的價值 *（附註21）*	–	–	–	24,315	–	24,315
Fair value gains on available-for-sale financial assets	可供出售金融資產的公允價值收益	–	–	–	–	28,766	28,766
As at 30 June 2011	於二零一一年六月三十日	(599)	19,144	1,004,948	279,251	28,766	1,331,510
As at 1 January 2010	於二零一零年一月一日	(599)	19,144	977,808	187,384	8,453	1,192,190
Profit appropriation	溢利分配	–	–	6,335	–	–	6,335
Employee share option scheme:	僱員購股權計劃：						
– Value of employee services *(Note 21)*	－僱員服務的價值 *（附註21）*	–	–	–	30,912	-	30,912
Fair value losses on available-for-sale financial assets	可供出售金融資產的公允價值虧損	–	–	–	–	(23,915)	(23,915)
As at 30 June 2010	於二零一零年六月三十日	(599)	19,144	984,143	218,296	(15,462)	1,205,522

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

16 OTHER RESERVES *(continued)*

(a) Employee share option scheme

Movements in the number of share options outstanding and their related weighted average exercise prices were as follows:

16 其他儲備*(續)*

(a) 僱員購股權計劃

尚未行使的購股權數目及其相關加權平均行使價的變動如下：

		For the six months ended (unaudited) 截至止六個月(未經審核) 30 June 2011 二零一一年六月三十日		30 June 2010 二零一零年六月三十日	
		Average exercise price in HK$ 每股平均行使價 港元	**Number of options (thousands) 購股權數目 (千份)**	Average exercise price in HK$ 每股平均行使價 港元	Number of options (thousands) 購股權數目 (千份)
At 1 January	於一月一日	**2.74**	**222,250**	2.62	176,580
Granted	已授出	**3.09**	**10,600**	–	–
Exercised	已行使	**–**	**–**	1.39	(525)
Lapsed	已失效	**2.62**	**(1,500)**	–	–
At 30 June	於六月三十日	**2.76**	**231,350**	2.62	176,055

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

17 TRADE PAYABLES

17 應付貿易賬款

		As at 30 June 2011 於二零一一年六月三十日 Unaudited 未經審核	As at 31 December 2010 於二零一零年十二月三十一日 Audited 經審核
Accounts payable	應付賬款	**1,483,744**	1,433,538
Notes payable (i)	應付票據(i)	**178,975**	249,192
		1,662,719	1,682,730

(i) As at 30 June 2011, all notes payable represented bank acceptance notes, of which RMB 30 million were secured by certain notes receivable (Note 14), RMB 149 million were secured by restricted bank balances carrying at approximately RMB 119 million.

As at 31 December 2010, all notes payable represented bank acceptance notes, of which RMB 45 million were secured by certain notes receivable (Note 14), RMB 145 million were secured by restricted bank balances carrying at approximately RMB 100 million, and RMB 59 million were secured by inventories and restricted bank balances carrying at approximately RMB 89 million and RMB 18 million respectively.

(i) 於二零一一年六月三十日，所有應付票據指銀行承兑匯票，其中人民幣3,000萬元的銀行承兑匯票以若干應收票據作為抵押*(附註14)*，人民幣1.49億元的銀行承兑匯票以金額約人民幣1.19億元的受限制銀行結餘作為抵押。

於二零一零年十二月三十一日，所有應付票據指銀行承兑匯票，其中人民幣4,500萬元的銀行承兑匯票以應收票據作為抵押*(附註14)*，人民幣1.45億元的銀行承兑匯票以金額約人民幣1.00億元的受限制銀行結餘作為抵押，以及人民幣5,900萬元的銀行承兑匯票以金額分別為約人民幣8,900萬元的存貨和約人民幣1,800萬元的受限制銀行結餘作為抵押。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

17 TRADE PAYABLES *(continued)*

17 應付貿易賬款*(續)*

As at 30 June 2011 and 31 December 2010, the ageing analysis of the trade payables was as follows:

於二零一一年六月三十日及二零一零年十二月三十一日,應付貿易賬款的賬齡分析如下:

		As at 30 June 2011 於二零一一年六月三十日 Unaudited 未經審核	As at 31 December 2010 於二零一零年十二月三十一日 Audited 經審核
Within 3 months	3個月內	**1,459,003**	1,171,324
4 – 6 months	4至6個月	**115,482**	447,400
7 – 9 months	7至9個月	**42,763**	33,400
10 – 12 months	10至12個月	**11,726**	5,893
Above 1 year	1年以上	**33,745**	24,713
		1,662,719	1,682,730

18 ACCRUALS, ADVANCES FROM CUSTOMERS AND OTHER CURRENT LIABILITIES

18. 預提費用、預收客戶款項及其他流動負債

		As at 30 June 2011 於二零一一年六月三十日 Unaudited 未經審核	As at 31 December 2010 於二零一零年十二月三十一日 Audited 經審核
Accruals	預提費用	**413,925**	396,961
Advances from customers	預收客戶款項	**2,124,157**	1,914,673
Value-added tax payable	應付增值稅	**22,449**	84,739
Other taxes payables	其他應付稅項	**26,835**	13,546
Other payables (a)	其他應付賬款(a)	**505,216**	627,533
		3,092,582	3,037,452

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

18 ACCRUALS, ADVANCES FROM CUSTOMERS AND OTHER CURRENT LIABILITIES *(continued)*

18 預提費用、預收客戶款項及其他流動負債*（續）*

(a) The breakdowns of other payables as at 30 June 2011 and 31 December 2010 were as follows:

(a) 於二零一一年六月三十日及二零一零年十二月三十一日的其他應付賬款分類如下：

		As at 於	
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Payables for purchase of PP&E	購買物業、廠房及設備的應付賬款	**133,401**	268,155
Customer deposits	客戶按金	**187,203**	175,116
Pension payables and other social welfare payables	應付退休金及其他應付社會福利	**59,608**	57,785
Salary payables	應付薪金	**43,983**	37,679
Employee deposits	員工按金	**23,095**	29,480
Others	其他	**57,926**	59,318
		505,216	627,533

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

19 BORROWINGS

19 借款

		As at 30 June 2011 於二零一一年六月三十日 Unaudited 未經審核	As at 31 December 2010 於二零一零年十二月三十一日 Audited 經審核
Non-current	**非流動**		
Bank borrowings, secured (i)	銀行借款，已抵押(i)	**38,000**	38,000
Bank borrowings, unsecured	銀行借款，無抵押	**22,000**	144,000
Other borrowings, unsecured (ii)	其他借款，無抵押(ii)	**–**	65,000
Senior Notes (iii)	優先票據(iii)	**5,433,848**	5,544,030
		5,493,848	5,791,030
Current	**流動**		
Bank borrowings, secured (i)	銀行借款，已抵押(i)	**205,822**	128,261
Bank borrowings, unsecured	銀行借款，無抵押	**1,694,763**	551,988
		1,900,585	680,249
Total borrowings	**總借款**	**7,394,433**	6,471,279

(i) As at 30 June 2011, the Group had the following secured bank borrowings:

a) Bank borrowings of approximately RMB 38 million (31 December 2010: RMB 38 million) were pledged by certain PP&E of the Group with carrying amount of approximately RMB 46 million (31 December 2010: RMB 52 million).

b) Bank borrowings of approximately RMB 87 million (31 December 2010: RMB 9 million) were pledged by certain restricted bank balance of the Group with carrying amount of approximately RMB 87 million (31 December 2010: RMB 9 million).

(i) 於二零一一年六月三十日，本集團已抵押銀行借款如下：

(a) 銀行借款總額約為人民幣3,800萬元(二零一零年十二月三十一日：人民幣3,800萬元)，以本集團賬面值約人民幣4,600萬元的物業、廠房及設備作為抵押(二零一零年十二月三十一日：人民幣5,200萬元)。

(b) 銀行借款總額約為人民幣8,700萬元(二零一零年十二月三十一日：人民幣900萬元)，以本集團賬面值約人民幣8,700萬元的若干受限制的銀行結餘作為抵押(二零一零年十二月三十一日：人民幣900萬元)。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

19 BORROWINGS *(continued)*

(i) *(continued)*

c) Bank borrowings of approximately RMB 19 million (31 December 2010: RMB 19 million) were pledged by inventory of the Group with carrying amount of approximately RMB 63 million (31 December 2010: RMB 89 million).

d) Pursuant to an agreement dated 12 September 2008 (the "Guarantee Agreement") entered into between the Group and Foshan Jin Lan Aluminium Company Limited ("Foshan Jin Lan"), Foshan Jin Lan granted a guarantee in favour of Jinxi Jinlan for bank borrowing facilities amounting to RMB 150 million. In addition to the secured bank borrowings described in (a) to (c) above, current secured bank borrowings of approximately RMB 100 million (31 December 2010: RMB 100 million) were secured by certain property, plant and equipment and leasehold land and land use rights with carrying amounts of approximately RMB 109 million (31 December 2010: RMB 114 million) and guaranteed by Foshan Jin Lan pursuant to the Guarantee Agreement.

19 借款*(續)*

(i) *(續)*

(c) 銀行借款總額約為人民幣1,900萬元(二零一零年十二月三十一日:人民幣1,900萬元),以本集團賬面值約人民幣6,300萬元的存貨作為抵押(二零一零年十二月三十一日:人民幣8,900萬元)。

(d) 根據日期為二零零八年九月十二日本集團與佛山金蘭鋁廠有限公司(「佛山金蘭」)簽訂的協議(「擔保協議」),佛山金蘭就人民幣1.50億元的銀行借款額度為津西金蘭出具擔保。除上述(a)至(c)所述有抵押銀行借款外,總額為人民幣1.00億元的已抵押流動銀行借款(二零一零年十二月三十一日:人民幣1.00億元)以賬面值分別約人民幣1.09億元(二零一零年十二月三十一日:人民幣1.14億元)的若干物業、廠房及設備以及租賃土地及土地使用權作為抵押並根據擔保協議由佛山金蘭出具擔保。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

19 BORROWINGS *(continued)*

(ii) Other unsecured borrowing represented a borrowing from the local county government amounting to RMB 145 million which were repaid from 1 January 2008 onwards at an amount of RMB 20 million per annum. Interest is charged at the RMB bank deposit rate for 1 year fixed deposit. As at 30 June 2011, the borrowing has been repaid.

(iii) On 18 August 2010, the Group issued US$ 550 million Senior Notes, which bears interest at 8% per annum payable semi-annually, to finance its potential acquisitions and investments, capital expenditure projects and working capital requirements. These Senior Notes are wholly repayable on 18 August 2015.

On 17 November 2010, the Group issued US$ 300 million Senior Notes, which bears interest at 7% per annum payable semi-annually, to refinance its outstanding short-term debts. These Senior Notes are wholly repayable on 17 November 2017.

19 借款*（續）*

(ii) 其他無抵押借款指當地縣政府的借款為人民幣1.45億元，該筆借款將自二零零八年一月一日起每年償還人民幣2,000萬元。利息按銀行人民幣一年期定期存款利率計算。於二零一一年六月三十日，借款已償還。

(iii) 於二零一零年八月十八日，本集團發行5.50億美元的優先票據，以年利率8%計息，每半年結息償還，以資助其潛在收購及投資、資本支出項目及營運資金需求。該等優先票據須於二零一五年八月十八日償還。

於二零一零年十一月十七日，本集團發行3.00億美元的優先票據，以年利率7%計息，每半年結息償還，以資助其償付尚未償還的短期債務。該等優先票據須於二零一七年十一月十七日償還。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

19 BORROWINGS *(continued)*

(iii) *(continued)*

On 12 August 2010, Eastland International Trading Limited ("Eastland"), a company incorporated in British Virgin Islands and is wholly owned by Mr. Han Jingyuan, the chairman and the chief executive officer of the Company, subscribed for US$21 million of the Senior Notes from the Initial Purchases through Credit Suisse Group AG. Subsequently Eastland sold US$10 million of the Senior Notes on 15 October 2010. As a result, as at 30 June 2011 Eastland holds US$11 million of the Senior Notes.

19 借款(續)

(iii) (續)

於二零一零年八月十二日,由本公司董事局主席兼首席執行官韓敬遠先生全資擁有,一間於英屬維爾京群島註冊成立的公司,東嶺國際貿易有限公司(「東嶺」),透過Credit Suisse Group AG在首期購買中認購2,100萬美元優先票據。隨後東嶺於二零一零年十月十五日出售1,000萬美元優先票據。因此,於二零一一年六月三十日,東嶺持有1,100萬美元的優先票據。

Movements in borrowings were analysed as follows:

借款的變動情況分析如下:

		Unaudited 未經審核
Six months ended 30 June 2011	**截至二零一一年六月三十日止六個月**	
As at 1 January 2011	於二零一一年一月一日	6,471,279
Proceeds from borrowings	借款所得款項	2,643,425
Repayments of borrowings	借款償還款項	(1,584,886)
Foreign exchange gain	滙兑收益	(135,385)
As at 30 June 2011	**於二零一一年六月三十日**	7,394,433
Six months ended 30 June 2010	**截至二零一零年六月三十日止六個月**	
As at 1 January 2010	於二零一零年一月一日	2,555,338
Proceeds from borrowings	借款所得款項	2,027,688
Repayments of borrowings	借款償還款項	(1,869,069)
Foreign exchange gain	滙兑收益	(4,008)
As at 30 June 2010	**於二零一零年六月三十日**	2,709,949

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

19 BORROWINGS *(continued)*

19 借款（續）

As at 30 June 2011 and 31 December 2010, the Group's borrowings were repayable as follows:

於二零一一年六月三十日及二零一零年十二月三十一日，本集團的借款到期期限如下：

		Bank borrowings 銀行借款		Other borrowings 其他借款	
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核	**30 June 2011 二零一一年六月三十日 Unaudited 未經審核**	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Within 1 year	1年內	**1,900,585**	680,249	**–**	–
Between 1 and 2 years	1至2年	**60,000**	182,000	**–**	20,000
Between 2 and 5 years	2至5年	**–**	–	**3,507,621**	3,623,745
Over 5 years	5年以上	**–**	–	**1,926,227**	1,965,285
		1,960,585	862,249	**5,433,848**	5,609,030

The effective interest rates at the balance sheet date were as follows:

於結算日的實際利率如下：

		As at 於			
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核		31 December 2010 二零一零年十二月三十一日 Audited 經審核	
		RMB 人民幣	**US$ 美元**	RMB 人民幣	US$ 美元
Bank borrowings	銀行借款	**2.9% – 12.00%**	**–**	4.86% – 12.00%	–
Other borrowings	其他借款	**–**	**–**	2.25%	–
Senior Notes	優先票據	**–**	**7.00% – 8.00%**	–	7.00% – 8.00%

Except there is a bank borrowing with principal amount of RMB 3.3 million which bears an interest rate of 12% per annum, the other bank borrowings interest rate ranged from 2.9% to 6.7% per annum as at 30 June 2011.

除本金額人民幣330萬元的銀行貸款以年利率12%計息之外，於二零一一年六月三十日，其他銀行貸款的年利率介乎於2.9%至6.7%。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

19 BORROWINGS *(continued)*

Interest expenses on borrowings for the six months ended 30 June 2011 were RMB 259 million (for the six months ended 30 June 2010: RMB 68 million), out of which RMB 26 million (for the six months ended 30 June 2010: 7 million) arising on financing for the construction of plant and equipments were capitalised during the period and were included in "additions" in PP&E. A capitalisation rate of 6.66% (for the six months ended 30 June 2010: 6.39%) was used, representing the average borrowing cost of the loan used to finance the project.

19 借款*（續）*

截至二零一一年六月三十日止六個月的借款利息開支為人民幣2.59億元（截至二零一零年六月三十日止六個月：人民幣6,800萬元），其中與融資廠房及設備建設的借款利息開支為人民幣2,600萬元（截至二零一零年六月三十日止六個月：人民幣700萬元）已於期內資本化，並已包括在物業、廠房及設備的「添置」一項內。採用的資本化率為6.66%（截至二零一零年六月三十日止六個月：6.39%），相當於融資該項目所用貸款的借款成本。

20 OTHER LONG-TERM PAYABLES

20 其他長期應付款

		As at 於 30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Non-current	**非流動**		
Performance guarantee deposit *(Note 9(ii))*	履約保證金*（附註9(ii)）*	**10,000**	–
Finance lease obligations (i)	融資租賃承擔(i)	**228,119**	344,836
		238,119	344,836
Current	**流動**		
Finance lease obligations (i)	融資租賃承擔(i)	**222,460**	209,150
Total other long-term payables	**其他長期應付款總額**	**460,579**	553,986

(i) In July 2008, Jinxi Limited entered into an asset sale and leaseback agreements (the "Sale and Leaseback Agreement") with a financial institution. The sales proceeds of the PP&E was RMB 800 million. The lease term was 60 months and the lease payments were adjusted annually and reset according to the primary rate announced by the People's Bank of China (the "PBOC"). The purchase option at the end of lease period was RMB 100.

(i) 於二零零八年七月，津西鋼鐵與某金融機構訂立資產售後租回協議（「售後租回協議」）。相關物業、廠房及設備之銷售所得款項為人民幣8億元。租期為60個月，租賃付款每年會進行調整並根據中國人民銀行（「中國人民銀行」）所公佈之基準利率重新設定。租期結束時購買選擇權為人民幣100元。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外，所有金額均以人民幣千元為單位)

20 OTHER LONG-TERM PAYABLES *(continued)*

(i) *(continued)*

In August 2008, Jinxi Limited entered into a guarantee agreement with another financial institution. Pursuant to the agreement, this financial institution granted a guarantee in favour of Jinxi Limited for the above finance lease amounting to RMB 800 million.

As at 30 June 2011, total minimum lease payments under finance lease based on PBOC interest rate as at the balance sheet date and their present values were as follows:

20 其他長期應付款*(續)*

(i) *(續)*

於二零零八年八月，津西鋼鐵與另一家金融機構訂立一份擔保協議。根據該協議，該金融機構就上述為數人民幣8億元融資租賃為津西鋼鐵出具擔保。

於二零一一年六月三十日，按中國人民銀行於結算日利率計息之融資租賃之最低租賃付款總額及其現值如下：

		Unaudited 未經審核		
		Present value of minimum lease payments 最低租賃付款之現值	**Interest expenses relating to future periods 有關未來期間之利息費用**	**Total minimum lease payments 最低租賃付款總額**
Within 1 year	1年內	222,460	37,359	259,819
Between 1 and 5 years	1至5年	228,119	16,446	244,565
		450,579	53,805	504,384

For six months ended 30 June 2011 and the year ended 31 December 2010, no contingent-based rents were recognised as expenses.

截至二零一一年六月三十日止六個月期間及截至二零一零年十二月三十一日止年度，概無或然租金確認為費用。

The effective interest rate of the finance lease obligations of the Group for the six months ended 30 June 2011 was 9.30% per annum (for the year ended 31 December 2010: 9.12% per annum).

截至二零一一年六月三十日止六個月期間，本集團融資租賃承擔之實際年利率為9.30%(二零一零年十二月三十一日：9.12%)。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

21 OPERATING PROFIT

The following items have been credited/(charged) to the operating profit during the six months ended 30 June 2011 and 2010:

21 經營溢利

截至二零一一年及二零一零年六月三十日止六個月，下列項目已計入╱（扣除）自經營溢利：

		For the six months ended 截至六月三十日止六個月	
		30 June 2011 二零一一年 **Unaudited** 未經審核	30 June 2010 二零一零年 Unaudited 未經審核
Share options granted to directors and employees *(Note 16)*	授予董事及僱員的購股權（*附註16*）	**(24,315)**	(30,912)
Gain on disposal of PP&E	出售物業、廠房及設備的收益	**4,343**	1,760
Depreciation of PP&E *(Note 8)*	物業、廠房及設備折舊（*附註8*）	**(448,869)**	(440,661)
Amortisation of leasehold land and land use rights *(Note 8)*	租賃土地及土地使用權攤銷（*附註8*）	**(1,702)**	(825)
Depreciation of investment properties *(Note 8)*	投資物業折舊（*附註8*）	**(403)**	(402)
Amortisation of intangible assets *(Note 8)*	無形資產攤銷（*附註8*）	**(8)**	(7)

22 INCOME TAX EXPENSE

22 所得稅費用

		For the six months ended 截至六月三十日止六個月	
		30 June 2011 二零一一年 **Unaudited** 未經審核	30 June 2010 二零一零年 Unaudited 未經審核
Current income tax	當期所得稅		
– PRC enterprise income tax	－中國企業所得稅	**465,256**	290,136
– Overseas taxations	－海外稅項	**1,460**	–
Deferred income tax	遞延所得稅	**(9,725)**	(4,323)
		456,991	285,813

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

23 EARNINGS PER SHARE

23 每股收益

Basic

基本

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

每股基本收益乃根據本公司權益持有者應佔溢利除以期內已發行普通股的加權平均數而計算。

		For the six months ended 截至六月三十日止六個月	
		30 June 2011 二零一一年 Unaudited 未經審核	30 June 2010 二零一零年 Unaudited 未經審核
Profit attributable to owners of the Company	本公司權益持有者應佔溢利	**1,154,530**	797,994
Weighted average number of ordinary shares in issue *(thousands)*	已發行普通股的加權平均數（千股）	**2,929,725**	2,929,600
Basic earnings per share *(RMB per share)*	每股基本收益 *（每股人民幣元）*	**0.39**	0.27

Diluted

稀釋

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

每股稀釋收益乃在假設所有可稀釋的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。

As at 30 June 2011, the Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) during the period based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

截至二零一一年六月三十日止，本公司僅有一類可稀釋的潛在普通股：購股權。就購股權而言，根據尚未行使購股權所附的認購權的貨幣價值，按公允價值（釐定為本公司股份的平均年度市價）於期內可購入的股份數目釐定。按以上方式計算的股份數目乃與假設購股權行使而應已發行的股份數目作出比較。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註(續)

(All amounts in RMB thousands unless otherwise stated) (除另有指明外,所有金額均以人民幣千元為單位)

23 EARNINGS PER SHARE *(continued)*

23 每股收益*(續)*

		For the six months ended 截至六月三十日止六個月	
		30 June 2011 二零一一年	30 June 2010 二零一零年
		Unaudited 未經審核	Unaudited 未經審核
Profit attributable to owners of the Company	本公司權益持有者應佔溢利	**1,154,530**	797,994
Weighted average number of ordinary shares in issue used in calculating basic earnings per share *(thousands)*	用於計算每股基本溢利的已發行普通股加權平均數值*(千股)*	**2,929,725**	2,929,600
Adjustments for options *(thousands)*	購股權調整*(千股)*	**34,785**	13,853
Weighted average number of ordinary shares and potential ordinary shares issued as the denominator in calculating diluted earnings per share *(thousands)*	計算稀釋每股溢利時作為分母的已發行普通股及潛在普通股加權平均數*(千股)*	**2,964,510**	2,943,453
Diluted earnings per share *(RMB per share)*	稀釋每股溢利*(每股人民幣元)*	**0.39**	0.27

24 DIVIDENDS

(a) At a meeting held on 18 March 2011, the Board proposed a final dividend in respect of the year ended 31 December 2010 of HK$313.48 million (approximately RMB 263.72 million), representing HK$0.107 per ordinary share. During the six months ended 30 June 2011, dividends of HK$313.31 million (approximately RMB 260.55 million) were paid.

(b) At a meeting held on 9 August 2011, the Board proposed an interim dividend in respect of the period ended 30 June 2011 of HK$292.97 million (approximately RMB241.35 million) representing HK$0.1 per ordinary share (for the six months ended 30 June 2010: nil).

24 股息

(a) 於二零一一年三月十八日舉行的會議上,董事局建議派發截至二零一零年十二月三十一日止年度末期股息共計3.1348億港元(約人民幣2.6372億元),即每股普通股0.107港元。於截至二零一一年六月三十日止六個月期間已派發股息為3.1331億港元(約人民幣2.6055億元)。

(b) 於二零一一年八月九日舉行之會議上,董事局建議派發截至二零一一年六月三十日止期間之中期股息2.9297億港元(約人民幣2.4135億元),即每股普通股0.1港元(截至二零一零年六月三十日止六個月:零)。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

25 BUSINESS COMBINATION

In January 2011, the Group acquired a 51% interest in Jinxi Dafang, a company that manufactures and sells casting products and provides equipment maintenance, by capital injection of approximately RMB 64 million. The acquisition is expected to increase the Group's product diversity and reduce cost through economies of scale.

The goodwill of RMB 8 million arises from a number of factors. Most significant amongst these is the premium attributable to a pre-existing, well positioned business operating in a competitive market. Other important elements include expected synergies through combining a highly skilled workforce and obtaining economies of scale.

None of the goodwill recognised is expected to be deductible for income tax purposes.

Recognised amounts of identifiable assets acquired and liabilities assumed

25 業務合併

於二零一一年一月，本集團通過注資約人民幣6,400萬元收購生產及銷售鑄造產品及提供設備維護的公司津西大方的51%股權。該收購事項預計可以增加本集團的產品種類及通過規模經濟減少成本。

人民幣800萬元的商譽因多項因素而產生。其中最重要的因素是於一個競爭市場經營的業已存在及定位良好的業務應佔的溢價。其他重要因素包括透過整合技術熟練的勞動力及獲得規模經濟的預期協同效應。

預計概無已確認商譽需要扣減所得稅。

已收購可識別資產及承擔的負債的確認數額

		Provisional fair value 暫時公允價值
Cash and cash equivalents	現金及現金等價物	86,011
PP&E *(Note 8)*	物業、廠房及設備*（附註8）*	76,727
Inventories	存貨	81,191
Receivables	應收賬款	51,080
Payables	應付賬款	(155,639)
Borrowings	借款	(23,941)
Deferred tax liability	遞延稅項負債	(7,157)
Total identifiable net assets	可識別資產淨值合計	108,272
Non-controlling interest	非控制性權益	(53,053)
Goodwill *(Note 8)*	商譽*（附註8）*	8,498
		63,717

No acquisition-related costs were incurred in this acquisition.

該收購事項沒有產生任何相關的收購費用。

Outflow of cash to acquire business, net of cash acquired	收購業務的現金流出扣除所收購現金淨額	
– cash consideration	－現金代價	63,717
– cash and cash equivalents of the subsidiary acquired	－已收購附屬公司的現金及現金等價物	(86,011)
Cash inflow on acquisition	收購事項的現金流入	(22,294)

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

25 BUSINESS COMBINATION *(continued)*

(a) Acquired receivables

The fair value of trade and other receivables is RMB 52 million and includes trade receivables with a fair value of RMB 40 million and other receivables of RMB 12 million. The fair value of the receivables approximates to its gross contractual amount and all the receivables are expected to be collectible.

(b) Non-controlling interest

The Group has chosen to recognise the non-controlling interest at the proportion of net assets acquired shared by the non-controlling interests.

(c) Revenue and profit contribution

Since the business combination was consummated in January 2011, the acquired business contributed revenues of RMB 139 million and net profit of RMB 14 million to the Group for the period from 1 January 2011 to 30 June 2011.

26 NOTES TO THE CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

Major non-cash transactions:

During the six months ended 30 June 2011, the Group endorsed bank acceptance notes to the suppliers for purchase of PP&E amounting to approximately RMB 14 million (30 June 2010: approximately RMB 145 million).

25 業務合併*（續）*

(a) 已收購的應收賬款

貿易及其他應收賬款的公允價值為人民幣5,200萬元，當中包括公允價值為人民幣4,000萬元的應收貿易賬款及人民幣1,200萬元的其他應收賬款。應收賬款的公允價值約等於其合約總額，以及所有應收賬款預計可收回。

(b) 非控制性權益

本集團已選擇按非控制性權益分佔所收購的資產淨值比例確認非控制性權益。

(c) 收入及溢利分派

由於業務合併於二零一一年一月結束，截至二零一一年一月一日至二零一一年六月三十日止期間，已收購的業務為本集團貢獻人民幣1.39億元的收入及人民幣1,400萬元的淨溢利。

26 簡明合併中期現金流量表附註

主要非現金交易：

於截至二零一一年六月三十日止六個月，本集團就購買物業、廠房及設備向供應商背書銀行承兑匯票約人民幣1,400萬元（二零一零年六月三十日：約人民幣1.45億元）。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

27 CAPITAL COMMITMENTS

Capital expenditure committed at the balance sheet date but not yet incurred was as follows:

27 資本承擔

於結算日已承諾但尚未產生的資本開支如下：

		As at 於	
		30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Purchase of PP&E	購買物業、廠房和設備		
– Contracted but not provided for	－已訂約但未撥備	**357,610**	1,846,386
– Authorised but not contracted for	－已授權但未訂約	**37,424**	131,977
		395,034	1,978,363

28 FINANCIAL GUARANTEE CONTRACTS

As at 30 June 2011, Jinxi Limited provided guarantees for certain bank borrowings in favour of third parties amounting to approximately RMB 30 million (31 December 2010: approximately RMB 30 million). The fair values of these financial guarantee contracts are not significant.

The Directors of the Company are of the view that such obligations will not cause an outflow of resources embodying economic benefits.

28 財務擔保合同

於二零一一年六月三十日，津西鋼鐵為第三方的若干銀行借款出具擔保，共約人民幣3,000萬元（二零一零年十二月三十一日：約人民幣3,000萬元）。該等財務擔保合同的公允價值並不重大。

本公司董事認為該責任將不會造成經濟利益資源流出。

29 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

29 關聯方交易

倘一方有直接或間接能力控制另一方或對另一方在制定財務及營運決策時有重大影響力，則為關聯方。倘彼等受共同控制，也被視為關聯方。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)*

(a) During the six months ended 30 June 2011 and 2010, the directors are of the view that the following companies and persons are related parties of the Group:

29 關聯方交易（續）

(a) 於截至二零一一年和二零一零年六月三十日止六個月，董事認為以下公司和人士為本集團的關聯方：

Name **名稱**	**Relationship with the Group** **與本集團的關係**
Wellbeing Holdings Limited ("Wellbeing Holdings")	Substantial shareholder of the Company
Wellbeing Holdings Limited（「Wellbeing Holdings」）	本公司的主要股東
ArcelorMittal Holdings AG (formerly named Mittal Steel Holdings AG) ("AM Holdings AG")	Substantial shareholder of the Company
ArcelorMittal Holdings AG（前稱為Mittal Steel Holdings AG）（「AM Holdings AG」）	本公司的主要股東
ArcelorMittal Sourcing SA ("AM Sourcing")	Controlled by the same ultimate controlling shareholder of AM Holdings AG
ArcelorMittal Sourcing SA（「AM Sourcing」）	由AM Holdings AG的同一最終控股股東控制
Tangshan City Jinxi Iron and Steel Group Co., Ltd. ("Tangshan Jinxi Group")	Shareholder of Jinxi Limited and its legal representative is Mr. Guo Feizhi, one of the key executives of Jinxi Limited
唐山市津西鋼鐵集團有限公司（「唐山津西集團」）	津西鋼鐵股東，其法定代表為津西鋼鐵主要行政人員之一郭飛芝先生
Foshan Jin Lan	Minority shareholder of Jinxi Jinlan
佛山金蘭	津西金蘭的少數股東
Foshan Jin Lan Group Co., Ltd. ("Jin Lan Group")	Controlled by Mr. Zhou Weijie, a director of Jinxi Jinlan
佛山金蘭集團有限公司（「金蘭集團」）	由津西金蘭董事周偉傑先生控制
Foshan Jin Lan Import and Export Co., Ltd ("Jin Lan Import and Export")	Controlled by the family members of Mr. Zhou Weijie, a director of Jinxi Jinlan
佛山金蘭進出口有限公司（「金蘭進出口」）	由津西金蘭董事周偉傑先生的家屬控制
Foshan Jin Lan Nonferrous Metals Product Co., Ltd. ("Jin Lan Nonferrous Metals")	Foshan Jin Lan's subsidiary
佛山金蘭有色金屬製品有限公司（「金蘭有色金屬」）	佛山金蘭的附屬公司

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)*
29 關聯方交易（續）

(a) *(continued)*

(a) （續）

Name 名稱	Relationship with the Group 與本集團的關係
Qianxi County Zhongxing Iron Mine Co., Ltd. ("Zhongxing Iron Mine") 遷西縣中興礦業有限公司（「中興礦業」）	Jinxi Limited's associated company 津西鋼鐵的聯營公司
Qianxi County Jinxi Wan Tong Ductile Iron Pipes Co., Ltd. ("Jinxi Wantong") 遷西縣津西萬通球墨鑄管有限公司（「津西萬通」）	Its legal representative is Mr. Shen Xiaoling, a director of the Company 本公司董事沈曉玲先生為其法定代表
Qianxi County Hui Yin Trading Company Limited ("Hui Yin") 遷西縣滙銀工貿有限公司（「滙銀」）	Substantial shareholder of Jinxi Section Steel 津西型鋼的主要股東
Tangshan Fengnan Qu Jinxi Fenggang Iron and Steel Co., Ltd. ("Jinxi Fenggang") 唐山市豐南區津西豐鋼鋼鐵有限公司（「津西豐鋼」）	Its legal representative is Mr. Han Li, the legal representative of Jinxi Limited 其法定代表為津西鋼鐵的法定代表韓力先生
Qianxi County Han'erzhuang Village Wang Zhihong Iron Ore Mill ("Qianxi Iron Ore Mill") 遷西縣漢兒莊鄉王志鴻鐵選廠（「遷西鐵選廠」）	Controlled by Mr. Wang Zhihong, substantial shareholder of Boyuan Real Estate 由博遠房地產的主要股東王志鴻先生控制
Zhongye Times 中冶時代	Substantial shareholder of Zhongye Jinxi 中冶津西的主要股東
Mr. Han Jingyuan 韓敬遠先生	Chairman and Chief Executive Officer of the Company 本公司董事局主席兼首席執行官
Mr. Shen Xiaoling 沈曉玲先生	Director, Deputy General Manager and Chief Financial Officer of the Company 本公司董事、副總經理及首席財務官
Mr. Wang Zhihong 王志鴻先生	Director of Boyuan Real Estate 博遠房地產的董事
Mr. Li Hejun 李賀軍先生	Substantial shareholder of Jinxi Dafang 津西大方的主要股東

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)* 29 關聯方交易（續）

(b) Significant related party transactions: (b) 重大關聯方交易：

In addition to the related party information and transactions disclosed elsewhere in this condensed consolidated interim financial information, the following is a summary of significant related party transactions:

除於本簡明合併中期財務資料其他地方披露的關聯方資料及交易之外，以下乃重大關聯方交易的概要：

(i) Sales (i) 銷售

(I) Sales of goods (I) 銷售貨物

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 Unaudited 未經審核	2010 二零一零年 Unaudited 未經審核
Jinxi Fenggang	津西豐鋼	**85,261**	–
Jinxi Wantong	津西萬通	**4,016**	46,515
Jin Lan Import and Export	金蘭進出口	**–**	40,015
Jin Lan Group	金蘭集團	**–**	7,343
Jin Lan Nonferrous Metals	金蘭有色金屬	**–**	3,779
Qianxi County Longba Charging Company Limited	遷西縣龍霸爐料有限公司	**–**	71
		89,277	97,723

(II) Sales of utilities (II) 銷售能源

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 Unaudited 未經審核	2010 二零一零年 Unaudited 未經審核
Jin Lan Nonferrous Metals	金蘭有色金屬	**4,083**	3,230

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)* 29 關聯方交易（續）

(b) Significant related party transactions *(continued)*: (b) 重大關聯方交易（續）：

(ii) Purchase of raw materials (ii) 購買原材料

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 Unaudited 未經審核	2010 二零一零年 Unaudited 未經審核
Zhongxing Iron Mine	中興礦業	**62,043**	39,580
Qianxi Iron Ore Mill	遷西鐵選廠	**57,262**	29,567
Jinxi Fenggang	津西豐鋼	**10,429**	–
Qianxi County Longba Charging Company Limited	遷西縣龍霸爐料有限公司	**–**	40,826
Ping Quan County Jinyin Charging Company Limited	平泉縣津銀爐料有限公司	**–**	4,069
		129,734	114,042

(iii) Rental fee (iii) 租金

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 Unaudited 未經審核	2010 二零一零年 Unaudited 未經審核
Jinxi Wantong	津西萬通	**84,000**	18,000

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)* 29 關聯方交易（續）

(c) Balance with related parties: (c) 關聯方結餘：

		As at 於 30 June 2011 二零一一年六月三十日 Unaudited 未經審核	31 December 2010 二零一零年十二月三十一日 Audited 經審核
Amounts due from related parties	**應收關聯方款項**		
Non-trade balances	非貿易結餘		
– Tangshan Jinxi Group (i)	－唐山津西集團(i)	**919,716**	893,245
– Jinxi Fenggang (ii)	－津西豐鋼(ii)	**86,196**	95,000
– Jinxi Wantong	－津西萬通	**6,017**	11,345
– Mr. Li Hejun	－李賀軍先生	**622**	–
		1,012,551	999,590
Trade balances	貿易結餘		
– Jinxi Wantong	－津西萬通	**1,858**	–
– Jin Lan Nonferrous Metals	－金蘭有色金屬	**989**	–
		2,847	–
		1,015,398	999,590

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)* 29 關聯方交易（續）

(c) Balance with related parties *(continued)*: (c) 關聯方結餘（續）：

		As at 於	
		30 June 2011 二零一一年六月三十日	31 December 2010 二零一零年十二月三十一日
		Unaudited 未經審核	Audited 經審核
Amounts due to related parties	**應付關聯方款項**		
Current	*流動*		
Non-trade balances	非貿易結餘		
Borrowings from related parties	關聯方提供的借款		
– Wang Zhihong (iii)	－王志鴻(iii)	**47,855**	46,554
– Foshan Jin Lan (iv)	－佛山金蘭(iv)	**37,404**	37,404
– Mr. Li Hejun (v)	－李賀軍先生(v)	**17,304**	–
– Hui Yin (vi)	－滙銀(vi)	**–**	170,000
		102,563	253,958
Deposit from a related party	關聯方提供的按金		
– Mr. Shen Xiaoling (vii)	－沈曉玲先生(vii)	**–**	10,000
Dividends payable due to	應付予以下主體的股息		
– Tangshan Jinxi Group	－唐山津西集團	**5,965**	–
Others	其他		
– Zhongye Times (viii)	－中冶時代(viii)	**77,755**	–
– Mr. Han Jingyuan	－韓敬遠先生	**421**	4
– Foshan Jin Lan	－佛山金蘭	**383**	383
		78,559	387
Trade balances	貿易結餘		
Trade Payables	應付貿易款項		
– Qianxi Iron Ore Mill	－遷西鐵選廠	**22,541**	421
– Jinxi Fenggang	－津西豐鋼	**6,754**	1,038
– Zhongxing Iron Mine	－中興礦業	**299**	1,632
		29,594	3,091
		216,681	267,436

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)*

(c) Balance with related parties *(continued)*:

(i) Pursuant to a newly revised agreement entered into in December 2010, the loans provided by Jinxi Limited to Tangshan Jinxi Group totalled to RMB 893 million as at 30 June 2011. Those loans are secured by Tangshan Jinxi Group's 100% equity in Jinxi Wantong and all of the assets purchased or constructed with the loans. They bore interest at 5.3% and were repayable within one year. As at 30 June 2011, interest amounting to RMB 27 million was accrued but not received.

(ii) During the year ended 31 December 2010, Shenzhen Leasing provided an entrusted loan to Jinxi Fenggang, amounting to RMB 60 million. The loan was unsecured, bears interest at an 8% per annum and was repayable within one year.

Pursuant to an agreement entered into in February 2011, the receivables from Jinxi Fenggang amounting to RMB 30 million are unsecured, bear interest at a 0.9% per annum and are repayable within 45 days. With the renewal of this agreement, as at 30 June 2011, the principal of receivables amounting to RMB 25 million and interests amounting to RMB 1 million have not been received.

(iii) Pursuant to certain agreements, the Group and Wang Zhihong lent certain loans to Boyuan Real Estate on a proportional basis according to their respective shareholdings percentage in Boyuan Real Estate. These loans are unsecured, bear interest at a rate of 5.31% per annum and are repayable within one year. As at 30 June 2011, such loans have not been repaid.

(iv) Pursuant to certain agreements entered into in January 2006, the payables owing to Foshan Jin Lan amounting to RMB 55 million was unsecured, interest-free and had a repayable term of 5 years. Part of the loan amounting to RMB 18 million was repaid during the year ended 31 December 2009. As at 30 June 2011, the rest of the loan has not been repaid.

29 關聯方交易*（續）*

(c) 關聯方結餘*（續）*：

(i) 根據二零一零年十二月新修訂的協議，津西鋼鐵於二零一一年六月三十日向唐山津西集團提供的貸款合共人民幣8.93億元。該等貸款由唐山津西集團於津西萬通的全部權益及用貸款購入或在建的全部資產作為抵押。該等貸款按5.3%計息及一年內償還。於二零一一年六月三十日，人民幣2,700萬元的利息已產生但未收取。

(ii) 於截至二零一零年十二月三十一日止年度，深圳租賃向津西豐鋼提供委託貸款，金額為人民幣6,000萬元。該貸款為無抵押，以年利率8%計息及須於一年內償還。

根據二零一一年二月訂立的協議，應收津西豐鋼的賬款人民幣3,000萬元為無抵押，以年利率0.9%計息及須於45天內償還。該協議續期之後，於二零一一年六月三十日，人民幣2,500萬元的應收賬款本金額及人民幣100萬元的利息仍未收取。

(iii) 根據簽訂的若干協議，本集團和王志鴻按照各自所持有博遠房地產的股份比例借予博遠房地產貸款，此貸款為無抵押、按5.31%年利率計息及須於一年內償還。於二零一一年六月三十日，該等貸款仍未償還。

(iv) 根據於二零零六年一月訂立的若干協議，應付佛山金蘭的借款為人民幣5,500萬元為無抵押、免息及償還期為5年。截至二零零九年十二月三十一日止年度，人民幣1,800萬元之部分貸款已償還。於二零一一年六月三十日，貸款餘額尚未償付。

Notes to the Interim Condensed Consolidated Financial Information (continued)
中期簡明合併財務資料附註（續）

(All amounts in RMB thousands unless otherwise stated) （除另有指明外，所有金額均以人民幣千元為單位）

29 RELATED PARTY TRANSACTIONS *(continued)*

(c) Balance with related parties *(continued)*:

(v) In May 2011, Mr. Li Hejun provided a loan to Jinxi Dafang, amounting to approximately RMB 17 million. The loan was unsecured, interest-free and has no fixed term of repayment.

(vi) Hui Yin provided a loan to Jinxi Section Steel, amounting to RMB 170 million for the year ended 31 December 2008. The loan was unsecured, interest-free and fully repaid during six months ended 30 June 2011.

(vii) Pursuant to a cooperation agreement entered into between Mr. Shen Xiaoling and the Group in June 2008, the payable to Mr. Shen Xiaoling amounted to RMB 10 million represented a deposit for the cooperation agreement, which was unsecured, interest-free and fully repaid during six months ended 30 June 2011.

(viii) In May 2011, Zhongye Times paid part of compensation of demolition on behalf of Zhongye Jinxi amounting to approximately RMB 78 million. Such payable was unsecured, interest-free and has no fixed term of repayment.

Except for the related party balances disclosed from (i) to (viii) above, others were all unsecured, interest-free and had no fixed term of repayment.

29 APPROVAL ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated interim financial information was reviewed by the audit committee of the Company and approved by the Board on 9 August 2011.

29 關聯方交易（續）

(c) 關聯方結餘（續）：

(v) 於二零一一年五月，李賀軍先生向津西大方提供約人民幣1,700萬元的貸款。該貸款為無抵押、免息及無固定還款期。

(vi) 截至二零零八年十二月三十一日止年度，匯銀向津西型鋼提供人民幣1.70億元的貸款。該貸款為無抵押、免息及於截至二零一一年六月三十日止六個月內悉數償還。

(vii) 根據沈曉玲先生及本集團於二零零八年六月訂立的合作協議，應付沈曉玲先生的款項為人民幣1,000萬元，作為合作協議的按金，並且是無抵押、免息及於截至二零一一年六月三十日止六個月內悉數償還。

(viii) 於二零一一年五月，中冶時代代表中冶津西支付部分拆遷補償金約人民幣7,800萬元。該筆應付款項為無抵押、免息及無固定還款期。

除上述(i)至(viii)披露的關聯方結餘外，其他均為無抵押、免息且無固定償還期。

29. 批准簡明合併中期財務資料

本公司審核委員會已審閱和董事局已於二零一一年八月九日批准本簡明合併中期財務資料。

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