



Jiangxi Copper Company Limited

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

(Stock Code · H Share: 0358 · A Share: 600362)

2014

Interim Report



Important Notice

- (1) The board of directors (the "Board") and the supervisory committee (the "Supervisory Committee") of Jiangxi Copper Company Limited (the "Company") and its directors (the "Directors"), supervisors (the "Supervisors") and senior management warrant that they severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the information contained in this interim report and that there are no false representations, misleading statements contained therein or material omissions therefrom.
- (2) The Chairman, Mr. Li Baomin was unable to attend the Board meeting due to another engagement, but has appointed the Vice Chairman, Mr. Long Ziping, to attend the Board meeting and to vote on his behalf. In addition, the Director, Mr. Gao Dezhu was unable to attend the Board meeting due to another engagement. Except Mr. Li Baomin and Mr. Gao Dezhu, all other Directors attended the Board meeting.
- (3) The interim financial report of the Company and its subsidiaries (the "Group") has not been audited, but the interim financial information prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" and other relevant provisions (collectively referred to as "IFRS") has been reviewed by Deloitte Touche Tohmatsu and considered and approved by the independent audit committee (the "Audit Committee") of the Company.
- (4) The Company's Chairman, Mr. Li Baomin, the principal accounting responsible person, Mr. Gan Chengjiu, and Head of Financial Department (accounting chief), Mr. Jiang Liehui, warrant the truthfulness, accuracy and completeness of the financial report set out in the interim report.
- (5) Proposal of profit distribution plan or transfer of capital reserve to share capital during the reporting period after consideration by the Board: Proposal of profit distribution plan of the Company for the year of 2013 by the Board: The Board has recommended distributing a cash dividend of RMB5 per 10 shares (inclusive of tax). No bonus issue and conversion of capital would be included in this distribution proposal. The proposal of the above-mentioned distribution was approved at the 2013 annual general meeting of the Company, and the distribution was completed on 31 July 2014.

The Company will not distribute interim profit or transfer capital reserve to share capital.
- (6) Statement for the risks involved in the forward-looking statement: This interim report contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to its investors. Investors should be aware of the investment risks.
- (7) No misappropriation of funds by the controlling shareholders and their connected parties for non-operation purpose was found in the Group.
- (8) The Group did not provide third-party guarantees in violation of stipulated decision-making procedures.

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Definitions

I. DEFINITIONS

In this report, unless the context otherwise requires, the following expressions have meanings as follows:

Definitions

CSRC	China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
Company	Jiangxi Copper Company Limited
Group	The Company and its subsidiaries
JCC Group	Jiangxi Copper Corporation and its subsidiaries, exclusive of the Group
Copper concentrates	Low-grade cupriferos raw ore which is processed into concentrates meeting certain quality standards and able to be used directly by smelting plants for copper smelting.
Reporting period	1 January 2013 to 30 June 2014

Corporate Profile

I. CORPORATE INFORMATION

Name of the Company in Chinese	江西銅業股份有限公司
Chinese abbreviation	江西銅業
Name of the Company in English	Jiangxi Copper Company Limited
English abbreviation	JCCL
Legal representative of the Company	Li Baomin

II. CONTACT PERSONS AND CONTACT METHODS

	Company Secretary to the Board	Securities Affairs Representative
Name	Huang Dongfeng	Pan Changfu
Address	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China
Telephone	0701-3777011	0701-3777733
Facsimile	0701-3777013	0701-3777013
E-mail	jccl@jxcc.com	jccl@jxcc.com

III. CHANGES IN BASIC INFORMATION

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China
Postal code of the registered address of the Company	335424
Office address of the Company	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China
Postal code of the office address of the Company	335424
Website of the Company	http://www.jxcc.com
E-mail	jccl@jxcc.com

Corporate Profile

IV. CHANGES IN INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Newspapers selected by the Company for information disclosure	Shanghai Securities News
Website designated by CSRC for publishing the interim report	www.sse.com.cn
Place of inspection of the Company's interim report	Secretarial Office of the Board of Jiangxi Copper Company Limited, 15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China

V. INFORMATION ON THE COMPANY'S SHARES

Information on the Company's shares			
Class of shares	Stock exchange of listing shares	Stock abbreviation	Stock code
A Shares	SSE	Jiangxi Copper	600362
H Shares	The Stock Exchange of Hong Kong Limited (the "Stock Exchange")	Jiangxi Copper	0358

VI. CHANGES IN THE COMPANY'S REGISTRATION DURING THE REPORTING PERIOD

During the reporting period, there were no changes in the Company's registration.

Summary of Accounting Data and Financial Indicators

I. SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

1. Consolidated Accounting Data and Financial Indicators Prepared in accordance with the International Financial Reporting Standards ("IFRS")

	For the six months ended 30 June		
	2014	2013	Increase/ (decrease)
	(Unaudited) (RMB'000)	(Unaudited) (RMB'000)	(%)
Revenue	92,667,135	87,673,633	5.70
Profit before taxation	1,831,145	1,527,346	19.89
Profit for the period attributable to owners of the Company	1,276,709	1,275,023	0.13
Basic earnings per share (RMB)	0.37	0.37	—

	As at 30	As at 31	Increase/ (decrease) (%)
	June 2014	December 2013	
	(Unaudited) (RMB'000)	(Audited) (RMB'000)	
Total assets	96,322,368	88,759,398	8.52
Total liabilities	51,130,609	43,126,976	18.56
Net assets attributable to owners of the Company	44,104,717	44,515,715	-0.92
Net assets per share attributable to owners of the Company (RMB)	12.74	12.86	-0.93



Summary of Accounting Data and Financial Indicators

2. Consolidated Accounting Data and Financial Indicators Prepared in accordance with the PRC Accounting Standards (“PRC GAAP”)

(1) Major accounting data

Unit: Yuan Currency: RMB

Major accounting data	During the reporting period (January-June)	During the same period last year	Increase/ decrease for the reporting period as compared with the same period last year (%)
Operating revenue	92,936,268,295	87,974,896,220	5.64
Net profit attributable to shareholders of the Company	1,196,342,826	1,240,409,414	-3.55
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	483,229,582	1,141,330,394	-57.66
Net cash flows from operating activities	4,060,581,042	2,202,638,437	84.35

	As at the end of the reporting period	As at the end of last year	Increase/ decrease as at the end of the reporting period as compared with the end of last year (%)
Net assets attributable to shareholders of the Company	44,111,390,725	44,522,786,074	-0.92
Total assets	96,329,224,365	88,766,654,061	8.52

Summary of Accounting Data and Financial Indicators

(2) Major financial indicators

Unit: Yuan Currency: RMB

Major financial indicators	During the reporting period (January-June)	During the same period last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Basic earnings per share (RMB/share)	0.35	0.36	-2.78
Diluted earnings per share (RMB/share)	N/A	N/A	N/A
Basic earnings per share after non-recurring profit and loss items (RMB/share)	0.14	0.33	-57.66
Return on net assets (weighted average) (%)	2.70	2.90	Decreased by 0.2 percentage point
Return on net assets after non-recurring profit and loss items (weighted average) (%)	1.09	2.66	Decreased by 1.57 percentage points

Summary of Accounting Data and Financial Indicators

3. Reconciliation Between IFRs and PRC GAAP

Discrepancies between net profit attributable to the Company and net assets attributable to shareholders of the Company in the financial report disclosed under IFRS and under PRC GAAP.

Unit: '000 Currency: RMB

	Net profit attributable to the Company For the six months ended 30 June		Net assets attributable to shareholders of the Company	
	2014	2013	As at 30 June 2014	As at 31 December 2013
Prepared in accordance with PRC GAAP	1,196,343	1,240,409	44,111,391	44,522,786
Adjustments to items and amounts under IFRS:				
Safety fund expenses provided but not used under the PRC GAAP during the period	79,968	51,269	—	—
Income tax effect on safety fund	398	-16,654	-6,674	-7,071
Prepared in accordance with IFRS	1,276,709	1,275,024	44,104,717	44,515,715

Summary of Accounting Data and Financial Indicators

4. Non-Recurring Profit and Loss Items and Amounts

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	Amount
Profit and loss on disposal of non-current assets	(402,588)
Government grant as included in profit and loss of the current period, other than those closely relating to the normal business of enterprises and subject to a fixed amount or quantity under certain standard required by national policies	37,169,402
Fair value profit and loss from financial assets and financial liabilities held for trading, and investment gains from disposal of financial assets and liabilities held for trading and available-for-sale financial assets, excluding effective hedging activities associated with normal business operations of the Company	791,765,349
Other non-operating income and expenses other than the above items	42,590,865
Impact on minority interests	(40,816,755)
Impact on income tax	(117,193,029)
Total	713,113,244



Summary of Accounting Data and Financial Indicators

5. Items Measured at Fair Value

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Changes during the period	Impact on profit of the current period
1. Investment in held-for-trading equity instruments				
Equity investments	919,399	681,149	-238,250	-238,250
2. Investment in held-for-trading debt instruments				
Bond investment	47,960,959	53,887,130	5,926,171	5,926,171
3. Derivatives not designated as a hedge				
Forward foreign exchange contracts	-109,007,724	43,435,612	152,443,336	152,443,336
Option contracts	-12,614,486	-29,759,690	-17,145,204	-461,848
Commodity derivative contracts	-97,372,131	-60,610,213	36,761,918	36,761,918
Gold derivative contracts	-349,944,786	-5,788,749	344,156,037	344,156,037
4. Liabilities arising from the lease of gold measured at fair value	-2,802,265,402	-3,034,680,450	-232,415,048	-392,459,859
5. Hedging instruments				
(1). Non-effective hedging derivative instruments				
Commodity derivative contracts	407,396	3,638,377	3,230,981	3,230,981
Provisional price arrangement	-632,059	-24,754,097	-24,122,038	-24,122,038
(2). Effective hedging derivative instruments				
a. Cash flow hedges				
Commodity derivative contracts	-2,306,784	-6,643,681	-4,336,897	1,681,141
b. Fair value hedges				
Commodity derivative contracts	2,073,300	—	-2,073,300	-2,073,300
Confirmed sales commitments	-1,923,294	—	1,923,294	1,923,294
Balance of fair value change in inventory of a hedged item	4,367,844,950	2,650,242,456	-1,717,602,494	-54,029,431
Provisional price arrangement	-84,533,995	-33,522,555	51,011,440	51,011,440
6. Available-for-sale financial assets				
Wealth management product	1,371,500,000	1,277,500,000	-94,000,000	—
Bond investment	259,650,000	210,000,000	-49,650,000	—
Total	2,589,755,343	1,043,625,289	-1,546,130,054	123,749,592

Changes in Shares and Shareholders

I. CHANGES IN SHARE CAPITAL

During the reporting period, there were no changes in total number of shares and share capital structure of the Company.

II. CHANGES IN SHARES SUBJECT TO TRADING MORATORIUM

During the reporting period, there is no change in the Company's shares subject to trading moratorium.



Changes in Shares and Shareholders

III. THE NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS

Unit: Share

The number of shareholders at the end of the reporting period 190,367

Shareholdings of the top ten shareholders

Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total number of shares held	Increase/ (decrease) during the reporting period	Number of shares held subject to trading moratorium	Number of shares pledged or frozen
Jiangxi Copper Corporation ("JCC")	State-owned legal person	40.41%	1,399,249,325	0	0	Nil
HKSCC Nominees Limited ("HKSCC")	Unknown	36.02%	1,247,432,605	-714,520	0	Unknown
Shanghai Pudong Development Bank — Changxin Jinli Trend Equity Securities Investment Fund (上海浦東發展銀行 — 長信金利趨勢股票型證券投資基金)	Unknown	0.38%	13,086,362	13,086,362	0	Unknown
CITIC Securities Company Limited Detailed Account of Refinancing Warrant Securities (中信證券股份有限公司轉融通擔保證券明細賬戶)	Unknown	0.25%	8,591,830	0	0	Unknown
Bank of China Limited — Harvest CSI 300 Trading Index Securities Investment Open-ended Fund (中國銀行股份有限公司 — 嘉實滬深300交易型開放式指數證券投資基金)	Unknown	0.13%	4,389,311	-77,112	0	Unknown
Shou Zhigang (壽稚崗)	Unknown	0.09%	3,240,024	3,240,024	0	Unknown
Industrial and Commercial Bank of China Limited — China AMC CSI 300 Trading Index Securities Investment Open-ended Fund (中國工商銀行股份有限公司 — 華夏滬深300交易型開放式指數證券投資基金)	Unknown	0.09%	3,181,869	3,181,869	0	Unknown
Industrial and Commercial Bank of China Limited — Fullgoal CSI 300 Enhanced Index Securities Investment Fund (中國工商銀行股份有限公司 — 富國滬深300增強證券投資基金)	Unknown	0.09%	3,179,545	-129,300	0	Unknown
Industrial and Commercial Bank of China Limited — Huatai Bairui CSI 300 Trading Index Securities Investment Open-ended Fund (中國工商銀行股份有限公司 — 華泰柏瑞滬深300交易型開放式指數證券投資基金)	Unknown	0.09%	2,945,660	2,945,660	0	Unknown
Wendeng Taiyu Leather Company Limited (文登泰宇皮件有限公司)	Unknown	0.08%	2,925,000	2,925,000	0	Unknown

Changes in Shares and Shareholders

Shareholdings of the top ten shareholders not subject to trading moratorium

Name of shareholder	Number of shares held not subject to trading moratorium	Class and number of shares	
JCC	1,399,249,325	Ordinary shares denominated in RMB (A Shares)	1,269,594,325
		Overseas listed foreign shares (H Shares)	129,655,000
HKSCC	1,247,432,605	Overseas listed foreign shares (H Shares)	1,247,432,605
Shanghai Pudong Development Bank — Changxin Jinli Trend Equity Securities Investment Fund (上海浦東發展銀行 — 長信金利趨勢股票型證券投資基金)	13,086,362	Ordinary shares denominated in RMB (A Shares)	13,086,362
CITIC Securities Company Limited Detailed Account of Refinancing Warrant Securities (中信證券股份有限公司轉融通擔保證券明細賬戶)	8,591,830	Ordinary shares denominated in RMB (A Shares)	8,591,830
Bank of China Limited — Harvest CSI 300 Trading Index Securities Investment Open-ended Fund (中國銀行股份有限公司 — 嘉實滬深300交易型開放式指數證券投資基金)	4,389,311	Ordinary shares denominated in RMB (A Shares)	4,389,311
Shou Zhigang (壽稚崗)	3,240,024	Ordinary shares denominated in RMB (A Shares)	3,240,024
Industrial and Commercial Bank of China Limited — China AMC CSI 300 Trading Index Securities Investment Open-ended Fund (中國工商銀行股份有限公司 — 華夏滬深300交易型開放式指數證券投資基金)	3,181,869	Ordinary shares denominated in RMB (A Shares)	3,181,869
Industrial and Commercial Bank of China Limited — Fullgoal CSI 300 Enhanced Index Securities Investment Fund (中國工商銀行股份有限公司 — 富國滬深300增強證券投資基金)	3,179,545	Ordinary shares denominated in RMB (A Shares)	3,179,545
Industrial and Commercial Bank of China Limited — Huatai Bairui CSI 300 Trading Index Securities Investment Open-ended Fund (中國工商銀行股份有限公司 — 華泰柏瑞滬深300交易型開放式指數證券投資基金)	2,945,660	Ordinary shares denominated in RMB (A Shares)	2,945,660
Wendeng Taiyu Leather Company Limited (文登泰宇皮件有限公司)	2,925,000	Ordinary shares denominated in RMB (A Shares)	2,925,000

Changes in Shares and Shareholders

The explanation of the connected relationship or parties acting in concert among the aforesaid shareholders: (1) JCC, the controlling shareholder of the Company, and the other holders of shares not subject to trading moratorium are neither connected persons nor parties acting in concert as defined in "Management Method of the Information Disclosure in relation to the Changes in Shareholdings of Shareholders of Listed Companies" (《上市公司股東持股變動信息披露管理辦法》) issued by CSRC. (2) The Company is not aware of any connected relationship among the holders of shares not subject to trading moratorium, nor aware of any parties acting in concert as defined in "Management Method of the Information Disclosure in relation to the Changes in Shareholdings of Shareholders of Listed Companies" (《上市公司股東持股變動信息披露管理辦法》) issued by CSRC.

- (1) HKSCC held 1,247,432,605 H shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 36.03% of the issued share capital of the Company. HKSCC is a member of Central Clearing and Settlement System, providing securities registration and custodial services for customers.
- (2) JCC held 129,655,000 H shares of the Company, which have been registered with HKSCC and were separately listed from shares held by HKSCC as nominee when disclosed by the Company. Taking into account the H shares held by JCC, HKSCC held 1,377,087,605 shares as nominee, representing approximately 39.77% of the issued share capital of the Company.

Changes of shareholding of the top ten shareholders involved in financing, securities lending and refinancing businesses

Names of shareholders	Number of shares held at the beginning of the reporting period		Number of shares held at the end of the reporting period		Increase/decrease in the reporting period	Number of shares pledged or frozen
		Percentage of shareholding (%)		Percentage of shareholding (%)		
China Securities Finance Corporation Limited — Guaranty Securities Account for Refinancing (中國證券金融股份有限公司轉融通擔保證券賬戶)	8,591,830	0.25%	8,591,830	0.25%	0	unknown

Changes in Shares and Shareholders

INTERESTS AND SHORT POSITION OF SHAREHOLDERS

As at 30 June 2014, the interests or short positions of the shareholders, other than Directors, Supervisors and 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 Securities and Futures Ordinance ("SFO") were as follows:

Name of shareholder	Class of shares	Capacity	Number of shares (Note 1)	Approximate percentage of total number of the relevant class of share (%)	Approximate Percentage of total issued share capital (%)
JCC	A shares	Beneficial owner	1,269,594,325	61.18%	36.66%
JCC (note 2)	H shares	Beneficial owner	129,655,000 (L)	9.34%(L)	3.74%(L)
Blackrock, Inc.	H shares	(note 3)	78,381,748(L)	5.65%(L)	2.26%(L)
			1,219,000(S)	0.09%(S)	0.04%(S)
JPMorgan Chase & Co.	H shares	(note 4)	69,850,953(L)	5.03%(L)	2.02%(L)
			3,760,129(S)	0.27%(S)	0.11%(S)
			49,640,583(P)	3.57%(P)	1.43%(P)

Note 1: "L" means long position in the shares; "S" means short position in the shares; "P" means shares in the lending pool.

Note 2: 129,655,000 H shares held by JCC were registered with HKSCC Nominees Limited.

Note 3: According to the corporate substantial shareholders notice filed by Blackrock, Inc. on 16 June 2014, the H shares were held in the following capacities:

Capacity	Number of H shares
Interest of corporation controlled by the substantial shareholder	78,381,748(L) 1,219,000(S)

Changes in Shares and Shareholders

Pursuant to the said notice, such interests include (i) 175,000 H shares in long position and 426,000 H shares in short position, which were held in cash settled derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange; and (ii) 469,000 H shares in short position, which were held in physically settled derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange.

Note 4: According to the corporate substantial shareholders notice filed by JPMorgan Chase & Co. on 11 June 2014, the H shares were held in the following capacities:

Capacity	Number of H shares
Beneficial owner	20,210,370(L) 3,760,129 (S)
Custodian corporation/approved lending agent	49,640,583(L)

Pursuant to the said notice, such interests include (i) 1,036,000 H shares in short position, which held in cash settled derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange; (ii) 1,095,000 H shares in long position and 302,000 H shares in short position, which were held in physically settled derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange; (iii) 402,129 H shares in long position and 402,129 H shares in short position, which were held in cash settled unlisted derivatives; and (iv) 415,755 H shares in long position and 2,020,000 H shares in short position, which were held in physically settled unlisted derivatives

Save as disclosed above, the register required to be kept under Section 336 of SFO showed that the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 30 June 2014.

IV. CHANGES IN CONTROLLING SHAREHOLDER AND ULTIMATE CONTROLLER

There was no change in controlling shareholder or ultimate controller of the Company during the reporting period.

Directors, Supervisors and Senior Management

I. CHANGES IN SHAREHOLDING

- (I) During the current and reporting period, the shareholdings of Directors, Supervisors and senior management of the Company had no change.

During the reporting period, the shareholdings of Directors, Supervisors and senior management of the Company had no change.

II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY

Name	Position	Change	Reason
Qiu Guanzhou	Independent non-executive Director	Appointment	Change the term of office
Wu Jianchang	Independent non-executive Director	Retirement	Change the term of office

III. SHAREHOLDING OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As at 30 June 2014, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations as recorded in the register of the Company required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").



Report of the Board

The following figures are extracted from the unaudited consolidated accounting statements prepared in accordance with PRC GAAP.

I. DISCUSSION AND ANALYSIS OF THE COMPANY'S OPERATION DURING THE REPORTING PERIOD BY THE BOARD

During the Reporting Period, the economy of developed countries experienced a slow recovery, the growth of new-emerging economies slowed down. As the geopolitics was continuously under tension, China's economy had relatively significant downturn pressure, resulting in the influence of macro-economy on the non-ferrous industry. On one hand, the product price reduced significantly in the first quarter. Although it picked up a little in the second quarter, it still remained relatively low. On the other hand, the market risks became obviously serious due to the rapid increase of costs, the low demand in downstream as well as the limited space of productivity. In the first half of this year, the copper price in London Metal Exchange was USD 7,460/tonne the highest, and USD6,321/tonne the lowest. At the end of June, the copper price was USD7,014/tonne, and the average price was USD6,912/tonne, representing a decrease of 8.3%.

Under the complex and intricate economic circumstances, all of the staff of the Company endeavored to overcome the difficulties and make a difference. Through adopting proactive and effective measures, the staff fought against various challenges in a calm manner to ensure the overall stability of the production and operation of the Company. In the first half of the year, the production volume of the major products of the Company completed the progress plan and recorded a slight increase in the sales revenue. However, affected by the drop in the product price, the operating results of the Company had a little decrease. As at 30 June 2014, the consolidated operating revenue of the Group amounted to RMB92,936,268,295 (for the same period of 2013: RMB87,974,896,220), representing an increase of RMB4,961,372,075 or 5.64% as compared to the same period of last year. The Company recorded the net profits attributable to the shareholders of the parent company of RMB1,196,342,826 (for the same period of 2013: RMB1,240,409,414), representing a decrease of RMB44,066,588 or 3.55% as compared to the same period of last year. The basic earnings per share amounted to RMB0.35 (for the same period of 2013: RMB0.36), representing a decrease of RMB0.01 or 2.78% as compared to the same period of last year.

Report of the Board

(I) Analysis of principal businesses

1. Table of movement analysis for the related items in financial statements

Unit: Yuan Currency: RMB

Items	For the period	For the same period last year	Changes (%)
Operating income	92,936,268,295	87,974,896,220	5.64%
Operating cost	90,393,434,774	84,488,395,723	6.99%
Selling and distribution expenses	245,149,346	217,566,718	12.68%
Administrative expenses	711,849,485	736,436,019	-3.34%
Finance costs	396,738,459	162,725,534	143.81%
Net Cash Flow from operating activities	4,060,581,042	2,202,638,437	84.35%
Net Cash Flow from investment activities	-2,566,486,140	-1,181,394,919	117.24%
Net Cash Flow from financing activities	-428,819,921	241,662,927	-277.45%
Expenses on research and development	1,022,439,477	1,016,637,642	0.57%

As at the end of the reporting period, the total assets of the Group amounted to RMB96,329.22 million, representing an increase of RMB7,562.57 million or 8.52% as compared with the beginning of the period, in which:

- (1) the balance of held-for-trading financial assets amounted to RMB237.87 million, representing an increase of RMB150.49 million or 172.23% as compared with the beginning of the period, mainly due to the change in fair value of derivative instruments as a result of fluctuation of copper prices;
- (2) the factoring receivables amounted to RMB480.58 million, representing an increase of RMB480.58 million or 100% as compared with the beginning of the period, mainly due to the newly-established factoring company which provided new factoring business for the third party in the last year;

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- (3) the balance of advances to suppliers amounted to RMB4,287.53 million, representing an increase of RMB758.50 million or 21.49 % as compared with the beginning of the period, primarily attributable to the increase of suppliers by the Group and subsidiaries in order to fight for stable resources;
- (4) the balance of interest receivable amounted to RMB180.80 million, representing a decrease of RMB67.25 million or 27.11% as compared with the beginning of the period, primarily due to the decrease in deposit interest rates as compared with the same period last year;
- (5) the balance of other current assets amounted to RMB2,009.36 million, representing an increase of RMB770.26 million or 62.16% as compared with the end of last year, mainly due to the provision of loans by the Finance Company to the connected units of the controlling parent company;
- (6) the balance of investment property amounted to RMB356.51 million, representing an increase of RMB181.67 million or 103.90% as compared with the end of last year, primarily attributable to the fact that the self-used buildings were changed to rental buildings and transformed from fixed assets into investment property;
- (7) the balance of construction in progress amounted to RMB2,442.60 million, representing an increase of RMB706.22 million or 40.67% as compared with the end of last year, primarily due to the new purchase and construction of offices.

As at the end of the reporting period, the balance of the total liabilities of the Group amounted to RMB51,130.61 million, representing an increase of RMB 8,003.63 million or 18.56% as compared with the beginning of the period, in which:

- (1) the balance of account payables amounted to RMB14,552.68 million, representing an increase of RMB3,807.25 million or 35.43% as compared with the beginning of the period, primarily due to the increase in payment for raw materials resulting from the increase of sales revenue of this period.
- (2) the balance of advances from customers amounted to RMB2,465.36 million, representing an increase of RMB701.55 million or 39.77% as compared with the beginning of the period, primarily due to the increase in sales income;

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- (3) the balance of interest payables amounted to RMB187.69 million, representing an increase of RMB47.51 million or 33.90% as compared with the beginning of the period, primarily due to the increase in accrued and unpaid interest at the end of the period arising from the increase in borrowings;
- (4) the balance of dividend payable amounted to RMB1,731.36 million, representing an increase of RMB1,731.36 million as compared with the beginning of the period, primarily due to the declared but unpaid cash dividend for year 2013;
- (5) the balance of tax payable amounted to RMB462.02 million, representing a decrease of RMB636.37 million or 57.94% as compared with the beginning of the period, primarily due to the payment of income tax for last year settled in the first half of the year.

During the reporting period, the net profit of the Group attributable to owners of the Company amounted to RMB1,196.34 million, representing a decrease of RMB44.07 million or 3.55% as compared with the same period last year, in which:

- (1) the operating revenue amounted to RMB92,936.27 million, representing an increase of RMB4,961.37 million or 5.64% as compared with the same period last year. Please refer to the analysis in the sub-section headed "Analysis of operation by industry, products or geographical locations" in this report;
- (2) the operating costs amounted to RMB90,393.43 million, representing an increase of RMB5,905.04 million or 6.99% as compared with the same period last year, primarily due to the increase in sales volume during the first half of the year;
- (3) the financial costs amounted to RMB396.74 million, representing an increase of RMB234.01 million or 143.81% as compared with the same period last year, primarily due to 1) increase in bank borrowings resulting from the expansion of business volume of each of the trade companies of the Company, 2) increase in the interest expenditure resulting from the increase of bank financing costs, and 3) the exchange loss attributable to the devaluation of RMB, which was represented to be exchange revenue in the same period last year;



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- (4) losses from impairment of assets amounted to RMB60.70 million, representing a decrease of RMB510.20 million or 89.37% as compared with the same period last year, primarily due to the fact that the increase in market prices of products hedged certain losses in drop of value of the inventories;
- (5) gain from changes in fair value amounted to RMB123.75 million, representing an increase of RMB233.19 million or 213.07% as compared with the same period last year, primarily due to the increase in losses and profits from outstanding commodity futures contracts which were not qualified for hedge accounting resulting from the increase of the prices of financial tools;
- (6) investment income amounted to RMB688.15 million, representing an increase of RMB640.52 million or 1,344.64% as compared with the same period last year, primarily due to the increase in profits from settlement of commodity futures contracts which were not qualified for hedge accounting;
- (7) Non-operating revenue amounted to RMB84.67 million, representing an increase of RMB38.29 million or 82.56% as compared to the same period last year, primarily due to the increase in tax returns and penalty revenue;
- (8) Non-operating expenses amounted to RMB5.31 million, representing a decrease of RMB2.43 million or 31.40% as compared to the same period last year, primarily due to the decrease of amercement outlay as compared to the same period last year;
- (9) Income tax amounted to RMB560.73 million, representing an increase of RMB271.08 million or 93.59% as compared to the same period last year, primarily due to the fact that the Company was no longer entitled to the favorable tax interest rate of 15% for the high-tech enterprises, as well as the increase in deferred income tax resulting from the adjustment on deferred income tax assets by the differences in tax rates in the first half of 2013.

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2. Capital structure

As at the end of the reporting period, the total assets of the Group increased to RMB96,329.22 million from RMB88,766.65 million as at the beginning of the period, while the total liabilities increased to RMB51,130.61 million from RMB43,126.98 million as at the beginning of the period. Gearing ratio was 53.08%, representing an increase of 4.49 percentage points as compared to the beginning of the period. Capital-liabilities ratio (liabilities/shareholders' equity) was 113.12%, representing an increase of 18.63 percentage points as compared to the beginning of the period.

3. Cash flow

- (1) The net cash flow from operating activities amounted to RMB4.061 billion, representing an increase of RMB1.858 billion as compared to the same period last year, primarily due to the increase in revenue and the decrease in operating receivables and the increase in operating payables.
- (2) The net cash flow from investing activities amounted to RMB-2,566 million, representing an increase of RMB1,385 million in the net cash outflow as compared to the same period last year, of which the cash inflows from investing activities decreased by RMB6,075 million, mainly due to the decrease of RMB5,980 million in the short-term investments recovered by the Finance Company for the period; the cash outflows from investing activities decreased by RMB4,690 million, mainly due to the decrease of RMB5,000 million in short-term investment expenses of the Finance Company for the period and the increase of RMB433 million in fixed assets investment as compared with the same period last year.
- (3) The net cash flow from financing activities amounted to RMB-429 million, representing a decrease of RMB670 million as compared to the same period last year, primarily due to an increase of RMB502 million in cash inflow from borrowings and an increase of RMB1,178 million in other cash received from financing-related activities during the reporting period as compared to the same period last year; an increase of RMB349 million in debt repayment as compared to the same period last year, an increase of RMB172 million in cash paid for dividend distribution and interest payment as compared to the same period last year and an increase of RMB1,829 million in other cash paid for financing-related activities as compared to the same period last year.



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4. Others

- (1) Detailed explanation of major changes in the structure or sources of Company's profit

During the reporting period, there was no change in the structure or sources of Company's profit.

- (2) Analysis and explanation of the implementation progress of the Company's financing and major assets reorganisation matters in the previous period

Not applicable

- (3) Progress of operation plan

During the Reporting Period, the production volume of the Company completed the plan smoothly, and produced: cathode copper of 569,000 tonnes, representing a year-on-year increase of 1.83% (for the same period of last year: 558,800 tonnes); gold of 13,183 kilogram, representing a year-on-year increase of 3.80% (for the same period of last year: 12,700 kilogram); silver of 301 tonnes, representing a year-on-year increase of 5.61% (for the same period of last year: 285 tonnes); copper rod of 362,000 tonnes, representing a year-on-year increase of 2.55% (for the same period of last year: 353,000 tonnes); sulfuric acid of 1,480,000 tonnes, representing a year-on-year increase of 4.96% (for the same period of last year: 1,410,000 tonnes); sulfur concentrate of 1,180,000 tonnes, representing a year-on-year increase of 11.32% (for the same period of last year: 1,060,000 tonnes); copper concentrate contained copper of 102,000, molybdenum concentrate converted into (45%) 3,448 tonnes, all of which were basically on a par with those of the same period last year; other copper processing products except for copper rods and wires of 35,500 tonnes, representing a year-on-year increase of 12.70% (for the same period of last year 31,500 tonnes).

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(4) Outlook for the second half of the year

Along with a series of measures of “stabilisation of growth” and “mild stimuli” introduced by the PRC, the liquidity improved to a certain extent and the price of bulk commodity ceased to drop and rebounded at the end of the second quarter. However, the resumption of export of copper concentrate of Indonesia and the further release of additional capacity of the global copper mines in the recent period will definitely suppressed the copper price in the future.

In the second half of the year, the Group will continue to optimize internal management, improve cost control and protect operating risks to increase operating efficiency and safeguard the operating performance of the Company.

- 1) Reinforce production management and pay attention to the benchmark management and align the major technical and economic indicators with advanced standards in the world or in the industry to increase the Company's competitiveness.
- 2) Strengthen cost control, streamline management and tighten control for saving of resources, whilst stepping up capital management to reduce capital costs.
- 3) Reinforce risk management and control, especially prevent future risks and foreign investment risks, whilst reinforcing contract management and client management to strictly control default risks of clients.
- 4) Strengthen the capability of innovation, reform business philosophy and deepen internal reforms; research on system adjustment plan in a proactive manner, vitalise and optimise inventory assets of the Company so as to stimulate internal vitality.



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(II) Analysis of operation by industry, products or geographical locations

1. Principal businesses by industry and by product

Unit: Yuan Currency: RMB

Principal businesses by industry

By products	Operating revenue	Operating cost	Gross profit margin (%)	Increase/decrease in operating revenue over the same period last year (%)	Increase/decrease in operating cost over the same period last year (%)	Increase/decrease in gross profit margin over the same period last year (%)
Copper cathodes	54,235,079,377	53,476,732,756	1.40	2.21	3.24	-0.99
Copper rods and wires	24,053,891,364	22,950,110,172	4.59	4.02	5.09	-0.97
Copper processing products	1,612,951,540	1,632,140,553	-1.19	-1.26	-1.61	0.36
Gold	3,652,497,263	3,444,157,625	5.70	-5.28	-2.58	-2.61
Silver	1,268,326,977	1,175,702,890	7.30	-12.87	-22.14	11.04
Chemical products	608,895,888	493,844,506	18.90	-40.43	-30.61	-11.47
Rare metals and other non-ferrous metals	6,313,030,699	6,215,699,903	1.54	116.93	119.25	-1.04
Others	987,179,157	823,794,015	16.55	45.10	98.09	-22.32

1) Copper cathodes

During the reporting period, operating revenue from copper cathodes increased by RMB1,170.23 million or 2.21% compared with the same period last year resulting from the increase in sales volume of copper cathodes, and operating costs of copper cathodes increased by RMB1,679.56 million or 3.24% as compared with the same period last year. Due to the decrease in product price, the operating profit of copper cathodes decreased by RMB509.33 million or 40.18% as compared with the same period last year. As a result of the increase in outsourced raw materials and the decrease in product price, gross profit margin of copper cathodes decreased from 2.39% for the same period last year to 1.40% for the period.

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2) Copper rods and wires

During the reporting period, operating revenue from copper rods and wires for the period increased by RMB928.88 million or 4.02% over the same period last year, due to the increase in sales of copper rods and wires. Operating costs of copper rods and wires increased by RMB1,110.64 million or 5.09% as compared with the same period last year, due to the increase in sales. Operating profit of copper rods and wires decreased by RMB181.77 million or 14.14% as compared with the same period last year. As a result of the drop in market price, gross profit margin of copper rods and wires for the period decreased to 4.59% from 5.56% for the same period last year.

3) Other copper processing products other than copper rods and wires

During the reporting period, following the decrease in selling price of copper processing products, operating revenue of other copper processing products other than copper rods and wires decreased by RMB20.61 million or 1.26% for the period as compared with the same period last year. Operating costs decreased by RMB26.78 million or 1.61% as compared with the same period last year due to the decrease in the price of copper cathode materials. Operating profit increased by RMB6.17 million or 24.34% as compared with the same period last year. Due to a drop in market prices, the decrease rate of operating costs is smaller than that of operating revenue, accordingly, gross profit margin for the period increased from -1.55% for the same period last year to -1.19% for the period.

4) Gold

During the reporting period, operating revenue of gold decreased by RMB203.69 million or 5.28% as compared with the same period last year due to the drop in selling price. Operating costs decreased by RMB91.36 million or 2.58% as compared with the same period last year due to the decrease in the price of outsourced raw materials. Operating profit of gold decreased by RMB112.33 million or 35.03% as compared with the same period last year due to the decrease in the price while gross profit margin decreased from 8.32% for the same period last year to 5.70% for the period.



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5) Silver

During the reporting period, operating revenue of silver decreased by RMB187.36 million or 12.87% as compared to the same period last year, owing to a drop in the selling price as compared with the same period last year. The operating costs decreased by RMB334.35 million or 22.14% as compared to the same period last year, while the operating profit of silver increased by RMB146.98 million or 270.40% as compared to the same period last year due to the increase in sales volume. The gross profit margin of silver increased from -3.73% for the same period last year to 7.30% for the period, because of a fall in the price of outsourced raw materials.

6) Chemical products

During the reporting period, operating revenue from chemical products decreased by RMB413.22 million or 40.43%. Operating costs of chemical products for the period decreased by RMB217.88 million or 30.61% as compared with the same period last year. Operating profit of chemical products decreased by RMB195.34 million or 62.93% as compared with the same period last year due to a drop in selling prices while gross profit margin for the period decreased from 30.37% for the same period last year to 18.90% for the period.

7) Rare and other non-ferrous metals

During the reporting period, operating revenue from rare and other nonferrous metals increased by RMB3,402.80 million or 116.93%, due to the increase in sales as compared with the same period last year. Operating costs of rare and other non-ferrous metals increased by RMB3,380.67 million or 119.25%. Operating profit of rare and other non-ferrous metals increased by RMB22.13 million or 29.43% as compared with the same period last year while gross profit margin for the period decreased to 1.54% from 2.58% for the same period last year owing to an increase in sales volume.

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8) Other products

During the reporting period, the Group's operating revenue of other products increased by RMB306.85 million or 45.10% as compared with the same period last year; operating costs increased by RMB407.92 million or 98.09% as compared with the same period last year. Operating profit decreased by RMB101.08 million or 38.22% as compared with the same period last year; and gross profit margin for the period decreased to 16.55% from 38.87% for the same period last year owing to a decrease in selling price.

2. Principal businesses by geographical locations

Unit: Yuan Currency: RMB

Geographical locations	Operating revenue	Increase/ decrease in operating revenue over the same period last year (%)
Mainland China	81,920,511,964	3.99
Hong Kong	3,842,667,717	4.89
Others	6,968,672,584	31.36
Total	92,731,852,265	5.68

(III) Analysis of core competitiveness

During the reporting period, the core competitiveness of the Company did not have material changes. For details, please refer to the 2013 annual results report.

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(IV) Analysis of investment

1. General analysis of external investment in equity

Unit: 0'000

Currency: RMB

Investment during the reporting period	40,843
Increase/decrease in investment	-159,383
Investment during the same period last year	200,226
Extent of increase/decrease in investment (%)	-79.60

Name of investee	Principal activity	Share of interests in the investee (%)	Investment
JCC-BioteQ Environmental Technologies Company Limited	Industrial waste water recovery and product sales	50	1,410
Minerals Jiangxi Copper Mining Investment Company Limited	Investment company	40	140,400
MCC-JCL Aynak Minerals Company Limited (中冶江銅艾娜克礦業有限公司)	Exploration and sale of copper products	25	62,022
Asia Development Sure Spread Company Limited (興亞保弘株式會社)	Import and export of copper products	49	619
Zhaojue Fenyue Smelting Company Limited (昭覺縣逢煒濕法冶煉有限公司)	Production and sale of electro-deposit copper	47.86	406
Zhejiang Heding Copper Co., Ltd.	Production and sale of copper cathode	40	36,000
BOCI Securities Limited	Security broker and investment advisor	6.31	60,000
Nesko Metal Sanayi ve Ticaret Anonim Sirketi ("Nesko")	Exploration and sale of copper products	48	38,388

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(1) Investment in securities

Securities No. type	Securities code	Securities abbreviation	Initial investment Cost (RMB)	Number of Securities held (Share)	Book value at the end of the period (Share)	As a percentage of the total investment in securities as at the end of the period (%)	Profit and loss occurred in the reporting period (RMB)
1 Stock	002392	LISHENG PHARMA	1,050,075	23,335	681,149	100	-224,249
Profit and loss on securities disposed during the reporting period			/	/	/	/	-
Total			1,050,075	/	681,149	100	-224,249

(2) Equity interests in financial enterprises

Name of company	Initial investment cost (RMB'000)	Number of shares held (0'000 share)	As a percentage of the Company's Equity (%)	Book value at the end of the period (RMB'000)	Profit and loss occurred in the reporting period (RMB'000)	Changes in the owner's equity during the reporting period (RMB'000)	Accounting items	Ways of acquisition
Bank of Nanchang	398,080	14,000	5.03	398,080	Not applicable	Not applicable	Financial assets available for sale	Acquired from a third party
BOCI Securities Limited	600,000	12,500	6.31	611,493	15,636	1,893	Long-term equity investment	Subscription



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2. Trust investment in non-financial entity and investment in derivatives

(1) Trust investment

The Company did not entrust any entities to make investment during the reporting period.

(2) Trust loan

The Company did not entrust any entities to make loan during the reporting period.

3. Use of proceeds raised

For the latest information of the overall use of proceeds raised, please refer to the "Special Report on Deposit and Actual use of Proceeds Raised of Jiangxi Copper Company Limited" for the first half of 2014.

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4. Analysis of principal subsidiaries and joint stock companies

(1) Production and operation of our main controlling subsidiaries on 30 June 2014

Unit: '000 Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/(losses)
Kang Xi Copper Company Limited	Sales of copper materials, precious metal materials and sulphuric acid	286,880	57.14	1,474,430	282,571	1,208,901	-51,171
JCC Finance Company Limited	Provision of guarantee, deposit and loan to members of JCC	1,000,000	87.35	12,341,077	2,051,581	229,571	130,463
Jiangxi Copper Products Company Limited	Sales and processing of copper products	225,000	100	496,243	446,846	81,119	13,856
Jiangxi Copper Alloy Materials Company Limited	Production and sales of copper and copper alloy rods and wires	199,500	100	677,449	643,794	97,219	26,105
JCC Copper Products Company Limited	Processing and sales of hardware products	186,391	98.89	769,443	282,756	1,009,176	5,685
Jiangxi Copper Shenzhen Trading Company Limited	Sale of copper products	660,000	100	10,347,683	743,317	21,619,034	95,709
Jiangxi Copper Shanghai Trading Company Limited	Sale of copper products	200,000	100	4,176,757	236,698	6,089,151	1,627
Jiangxi Copper Beijing Trading Company Limited	Sale of copper products	261,000	100	1,717,980	301,364	5,358,625	3,552
JCC Yinshan Mining Company Limited	Production and sales of non-ferrous metals, precious metal and non-metals	30,000	100	1,242,269	739,352	239,375	-6,770
JCC Dongtong Mining Company Limited	Production and sales of non-ferrous metals, precious metal and non-metals	46,209	100	347,859	128,077	40,554	-19,532
Jiangxi Copper Yates Copper Foil Company Limited	Production and sales of copper foil products	453,600	89.77	1,072,554	50,930	260,228	-64,769
Jiangxi Copper (Longchang) Precise Pipe Company Limited	Production and sale of screwed conduit, externally finned copper pipe and other copper pipes	890,529	92.04	1,584,637	619,500	941,386	-36,360
Jiangxi Copper Taiji Special Electrical Materials Company Limited	Design, production and sales of all kinds of copper wires and enamelled wires, provision of after-sale maintenance and consultancy service	US\$16,800	70	645,422	73,914	423,770	4,646
Thermoelectric Electronic (Jiangxi) Company Limited	Research and development and production of thermoelectric semiconductors and appliances and provision of related services	70,000	95	69,567	64,532	6,938	-215
JCC (Guixi) Metallurgical and Chemical Engineering Company Limited	Metallurgy and chemical, manufacture and maintenance of equipments	35,080	100	97,915	56,046	166,538	3,012
JCC Dexing Alloy Materials Manufacturing Company Limited	Production and sales of casting products, maintenance of mechanical and electrical equipment, installation and debugging of equipments	66,380	100	200,133	139,619	129,842	2,344

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Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/(losses)
JCC (Dexing) Construction Company Limited	Development and sales of building materials for various projects including mine projects	50,000	100	194,980	96,474	188,674	2,819
Jiangxi Jiangtong-Wengfu Chemical Industry Company Limited	Sulphuric acid and related by-products	181,500	70	225,044	206,223	77,348	-7,772
JCC Guangzhou Copper Products Company Limited	Production of copper rodswires and relevant products	800,000	100	1,608,102	858,279	5,940,100	23,169
JCC International Trading Company Limited	Trading of metal products	1,000,000	60	8,946,600	1,144,367	31,090,417	26,191
Shanghai Jiangtong Investment Holdings Ltd. (上海江銅投資控股有限公司)	Construction industry (qualified), interior architecture and decoration, self-owned property lease, property management, sales of metal materials, minerals and mechanical equipment, etc.	169,842	100	185,387	159,475	5,623	272
Jiangxi Copper Corporation (Dexing) Chemical Company Limited	Sulphuric acid and related by-products	379,187	100	662,993	421,375	107,458	9,588
Jiangxi Copper (Qingyuan) Co., Ltd.	Manufacturing, processing and sale of anode sheets of copper cathode and non-ferrous metals	890,000	100	1,537,377	583,326	2,161,072	-53,841
Jiangxi Copper Hong Kong Company Limited	Import-export business trade and settlement, offshore investment and financing and cross-border RMB settlement	US\$10,000	100	6,737,158	138,130	5,118,863	27,558
Jiangxi Copper Renewable Resources Company Limited	Recovery, import and export business, dissemblance, processing, usage and sales business of metal scrap and waste metal of its products, various waste hardware, electrical machines, electrical products, waste electronic machines, waste electric wires, electric cables, metal and electrical appliance scraps	250,000	100	312,655	234,789	386,106	-5,219
Xiang Ge Lila Bisi Dajil Mining Company Limited	Mineral resource survey of copper and various metal, purchase and sales of non-ferrous mineral resources	5,000	51	69,120	31	—	-3,460
Chengdu Jiangtong Sales Co., Ltd. (成都江銅營銷有限公司)	Sales of mineral products, metal materials, metal products and chemical products, etc.	60,000	100	166,415	60,560	1,045,953	17

Note: the net profit of JCC Finance Company Limited for the first half of the year amounted to RMB130.46 million, representing 10.96% of the consolidated profit of the Company. Its principal business includes deposit taking from and provision of loans to member units as well as external investment and wealth management.

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(2) Production and operation of our associates and joint ventures on 30 June 2014

Unit: '000 Currency: RMB

Name of investee	Business nature	Currency	Registered capital		Total assets at the end of the period ('000)	Total liabilities at the end of the period ('000)	Net assets in aggregate at the end of the period ('000)	Total operating revenue for the period ('000)	Net profits for the period ('000)
			'000	Our shareholding (%)					
I. Joint Venture									
Jiangxi JCC-BioteQ Environmental Technologies Company Limited ("Jiangxi BioteQ")	Industrial waste water recovery and product sales	RMB	28,200	50	62,170	18,105	44,065	14,181	3,645
Nesko	Exploration and sale of copper products	Turkish lira	4,520,000	48	414,194	54,087	360,107	90,913	2,154
II. Associates									
Mimmetals Jiangxi Copper Mining Investment Company Limited (五礦江銅礦業投資有限公司) ("Jiangxi Copper Mimmetals")	Investment company	RMB	3,510,000	40	4,867,019	2,009,045	2,857,974	-	(46,436)
MCC-JCL Aynak Minerals Company Limited (中冶江銅艾納克礦業有限公司) ("MCC-JCL")	Exploration and sale of copper products	US\$	366,678	25	2,395,119	20,548	2,374,571	-	-
Asia Development Sure Spread Company Limited (奧亞保弘株式會社) ("Asia Sure Spread")	Import and export of copper products	JPY	200,000	49	11,560	-	11,560	-	-
Zhaoyue Fengye Smelting Company Limited (紹慶聯達輝業冶煉有限公司) ("Zhaoyue Fengye")	Production and sale of electro-deposit copper	RMB	10,000	47.86	9,777	3,760	6,017	-	(276)
Zhejiang Heding Copper Co., Ltd ("Zhejiang Heding")	Production and sale of copper cathode	RMB	900,000	40	4,498,597	3,588,683	909,914	3,059,819	9,017
BOCI Securities Limited ("BOCI")	Security broker and investment advisor	RMB	1,979,167	6.31	20,493,725	13,271,956	7,221,769	915,940	368,143

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5. Projects financed by non-raised funds

During the reporting period, the Company did not have any projects financed by non-raised funds that were discloseable.

II. PROFIT DISTRIBUTION PLAN OR PLAN TO CONVERT SURPLUS RESERVES INTO SHARE CAPITAL

- (I) **Execution and adjustment of profit distribution plan implemented during the reporting period**

The proposal of the payment of final dividend of RMB0.5 per Share (inclusive of tax) for the year of 2013 to all holders of shares of the Company by the Board was approved at the annual general meeting of the Company held on 11 June 2014. The Company completed the payment of such dividend on 31 July 2014.

III. OTHER DISCLOSURES

- (I) **Warning and explanation about predicted negative accumulated net profit for the period from the beginning of the year to the end of the next reporting period or significant change as compared with the same period last year**

✓ Not applicable

- (II) **Explanation of the Board of Directors and the Supervisory Committee on a "Non-Standard Auditing Report" Issued by the Auditor**

✓ Not applicable

Significant Events

I. MATERIAL LITIGATION, ARBITRATION AND MATTERS COMMONLY QUESTIONED BY MEDIA

The Company does not have material litigation, arbitration and matters commonly questioned by media during the Reporting Period.

II. MATTERS RELATING TO BANKRUPTCY AND RESTRUCTURING

The Company had no matters related to bankruptcy and restructuring during the Reporting Period.

III. EXCHANGE OF ASSETS AND MERGER OF COMPANIES MATTER

✓ Not applicable

IV. EQUITY INCENTIVES AND ITS EFFECT

✓ Not applicable

V. MATERIAL CONNECTED TRANSACTIONS

(I) Connected transactions relating to daily operations

Unit: Yuan Currency: RMB

Related party	Connection	Class of connected transactions	Content of connected transactions	Pricing policy for connected transactions	Price of connected transactions	Amount of connected transactions	As a percentage of similar types of transactions (%)	Settlement method of connected transactions
JCC and its subsidiaries	Controlling Shareholder	Purchase of goods	Ancillary industrial products and other product	Market price or cost plus tax		108,876,007	18.5	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Acceptance of use rights of patent and trademark	Land use rental	Negotiated price		80,677,200	100	Payable at year-end
JCC and its subsidiaries	Controlling Shareholder	Acceptance of services	Futures agency fee	Market price		3,653,659	18.6	Payment upon conclusion of trading
JCC and its subsidiaries	Controlling Shareholder	Deposits	Interest charges for deposits	at the benchmark lending rate promulgated by the People's Bank of China or on the credit terms not more favourable than the similar deposit terms offered to JCC by other domestic financial institutions or credit cooperatives		3,599,320	100	Monthly or quarterly payment

Significant Events

Related party	Connection	Class of connected transactions	Content of connected transactions	Pricing policy for connected transactions	Price of connected transactions	Amount of connected transactions	As a percentage of similar types of transactions (%)	Settlement method of connected transactions
JCC and its subsidiaries	Controlling Shareholder	Loans	Interest income from loans	At the benchmark lending rate promulgated by the People's Bank of China or on the credit terms not more favourable than similar deposit terms offered to JCC by other domestic financial institutions or credit cooperatives		2,353,023	100	Monthly or quarterly payment
JCC and its subsidiaries	Controlling Shareholder	Provision of loans	Provision of loans	At the benchmark lending rate promulgated by the People's Bank of China or on the credit terms not more favourable than the similar deposit terms offered to JCC by other domestic financial institutions or credit cooperatives		498,000,000	100	Monthly or quarterly payment
JCC and its subsidiaries	Controlling Shareholder	Acceptance of services	Acceptance of repair and maintenance services	Industry standards		2,473,504	1.83	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Acceptance of services	Labour services, such as loading and transportation services of goods	Market price		23,324,986	100	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	Copper rods and wires (tonne)	Market price	43,060	321,383,216	1.34	Payment upon acceptance
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	Copper cathode (tonne)	Market price	42,242	321,208,653	0.59	Payment upon acceptance
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	Lead concentrates (tonne)	Market price		24,906,715	100	Payment upon acceptance
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	Copper sulfate (tonne)	Market price	161	1,799,508	100	Payment upon acceptance
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	By-products	Market price		67,880,124	1.2	Monthly payment
JCC and its subsidiaries	Controlling Shareholder	Sales of goods	Sales of Ancillary industrial products	Market price		36,710,063	57.78	Monthly payment
JCC and its subsidiaries	Controlling Shareholder	Expenses of other utilities including water, electricity and gas (sales)	Electricity supply	Cost plus tax		19,309,683	4.25	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Provision of services	Construction service	Industry standards		63,064,835	26.35	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Provision of services	Provision of repair and maintenance services	Industry standards		4,103,884	10	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Provision of services	Provision of transportation services	Passenger and cargo rates of Jiangxi Province		4,678,758	5.3	Monthly settlement

Significant Events

Related party	Connection	Class of connected transactions	Content of connected transactions	Pricing policy for connected transactions	Price of connected transactions	Amount of connected transactions	As a percentage of similar types of transactions (%)	Settlement method of connected transactions
JCC and its subsidiaries	Controlling Shareholder	Expenses of other utilities including water, electricity and gas (sales)	Water supply	Cost plus tax		3,988	0.02	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Expenses of other utilities including water, electricity and gas (sales)	Rental from provision of public utilities	Shared on the cost basis according to the proportion of staff		1,335,007	100	Monthly settlement
JCC and its subsidiaries	Controlling Shareholder	Provision of services	Income from provision of custody and environmental sanitation services	Cost plus tax		2,789,164	100	Monthly settlement
Total	/	/	/	/	/	1,592,131,297	/	/

The aforementioned connected transactions have been reviewed by independent non-executive Directors of the Company: (i) the transactions have been entered into by the Company in the ordinary and usual course of the Company's business; (ii) the transactions have been entered into on normal commercial terms or on terms same as or no less favourable than terms available to or from independent third parties; and (iii) the transactions have been entered into on fair and reasonable terms so far as the shareholders of the Company are concerned.

The Company believes that by sharing production facilities and technologies of each other with JCC and taking advantages in proximity, it is necessary for the Company and JCC to provide or accept supply or sales of industrial goods from each other on an ongoing basis. The agreements governing connected transactions were entered into with a view to satisfy the Company's actual needs from its production and operation. The pricing policies for the connected transactions between the Company and JCC were determined based on the priority from State price, industry price, market price to cost plus tax. The Company's connected transactions were settled by cash in time after acceptance of goods or provision of services.

Besides, the Company has transactions with Zhejiang Heding Copper Company Limited, its associates, as well as Jiangxi JCC-BIOTEQ Environmental Technologies Company Limited (江西省江銅百泰環保科技有限公司), its joint venture, respectively, with the amounts of RMB152,630,000 and RMB1,280,000 respectively.

Significant Events

VI. MATERIAL CONTRACTS AND THEIR PERFORMANCE

(I) Custody, contracts and leases

✓ N/A

(II) Guarantees

✓ N/A

(III) Other material contracts

The Company did not enter into other material contracts during the year.

VII. PERFORMANCE OF UNDERTAKINGS

Undertakings given by the Company, shareholders holding more than 5% of shares, controlling shareholder and de facto controller during or subsisted to the reporting period

Types of Undertakings	Undertakings to distribute dividends
Party of undertakings	Jiangxi Copper Company Limited
Contents of undertakings	<ol style="list-style-type: none">1. The Company can distribute dividend by way of cash, scrip or the combination of cash and scrip; and can distribute interim dividend according to the actual profitability and the capital requirement of the Company;2. According to the provisions of the laws, regulations and the Articles of Association, conditional upon the cumulative distributable profits being positive after making up of the losses, deduction of the statutory reserve fund and provident fund in full amount, and having sufficient profits and cash to support the normal production and operation of the Company, in each year, the profit distribution by way of cash shall be not less than 10% of the distributable profits realized for the year, and the accumulated distributable profit distributed by way of cash in the last three years shall be not less than 30% of the average annual distributable profits realized in the last three years;

Significant Events

3. In addition to satisfying the minimum cash dividend distribution, the Company can implement distribution by way of scrip dividend. The proposal for distribution by way of scrip dividend should be proposed by the Board and put forward to the shareholders' meeting for approval.

Date and term of undertakings The undertaking was made on: 3 August 2012
Term: three years (2012-2014)

Whether there is time limit of performance Yes

Whether it was fulfilled strictly in a timely manner Yes

Specify when not performing the undertakings timely, reasons for not performing the undertakings timely N/A

Specify the plan if not performing the undertakings timely N/A

VIII. PUNISHMENT ON THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES, DE FACTO CONTROLLER AND BUYER AND RECTIFICATION

Neither the Company nor its Directors, Supervisors, senior management, shareholders holding more than 5% of shares, de facto controller and buyer was a subject of any investigation, administrative punishment or criticism by CSRC or any condemnation by any stock exchange during the period.

IX. PREFERENTIAL SHARES

There were no preferential shares of the Company during the reporting period.



Significant Events

X. CORPORATE GOVERNANCE

During the reporting period, the Company strictly complied with laws and regulations such as Company Law, Securities Law and Rules Governing the Listing of Shares on Stock Exchange and relevant requirement related to corporate governance by CSRC and SSE, to continue to carry forward with standardised management in the Company and enhance corporate governance through improving internal control system. Obligation in relation to information disclosure was duly performed pursuant to laws while management on investor relations was strengthened, in a bid to facilitate the sustainable development of the Company. Amendments to the existing Articles of Association were made by the Company in accordance with requirements in relation to dividend related matters stipulated in documents such as the Notice in relation to Matters Concerning Further Implementation of Cash Dividend Distribution of Listed Companies 《關於進一步落實上市公司現金分紅有關事項的通知》 and Regulatory Guidelines for Listed Companies No. 3 — Cash Dividend Distribution of Listed Companies (《上市公司監管指引第3號—上市公司現金分紅》) issued by China Securities Regulatory Commission and based on the business scope of the Company approved by Administration for Industry and Commerce, which were considered and approved at the 2013 annual general meeting of the Company.

XI. AUDIT COMMITTEE

The Company has convened Audit Committee meeting at which the unaudited interim condensed consolidated financial statements and the interim results report for the six months ended 30 June 2014 were considered and approved.

XII. CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining and establishing high level of corporate governance.

To the knowledge of the Board, the Company has been in full compliance with all the code provisions under the Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) during the reporting period, with the exception of the following:

During the reporting period, the legal action which the Directors of the Company may face is covered in the internal control and risk management of the Company. As the Company considers that no additional risk is likely to exist, insurance arrangements in respect of legal action against Directors have not been made as required under code provision A.1.8 of the Code.

Significant Events

XIII. PURCHASE, DISPOSAL AND REPURCHASE OF THE COMPANY'S LISTED SECURITIES

At any time during the six months ended 30 June 2014, the Company did not repurchase any of its shares. Neither the Company nor any of its subsidiaries purchased or disposed of any shares of the Company during the six months ended 30 June 2014.

XIV. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the reporting period, the Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiries to all Directors and Supervisors, the Company confirms that all the Directors and Supervisors have complied with the standards required in of the Model Code during the reporting period.

XV. ASSETS PLEDGED OF THE GROUP

As at 30 June 2014, the Group's net book value of RMB9,620 million were pledged in Renminbi for securing bank loans, including the deposits for securing borrowings of RMB3,174.07 million (as of 31 December 2013: RMB2,474.14 million), the discounted but undue bank acceptance of RMB1,592.11 million (as of 31 December 2013: RMB402.27 million), pledged receivables worth RMB4,230.13 million (as of 31 December 2013: RMB1,593.64 million), inventories with net value of RMB593.97 million (as of 31 December 2013: RMB147.61 million), land use rights amounting to RMB9.11 million (as of 31 December 2013: RMB9.24 million) and buildings amounting to RMB20.61 million (as of December 2013: RMB21.73 million).



Significant Events

XVI. FOREIGN EXCHANGE RISK

The reporting currency of the Group is Renminbi. Where any transactions in foreign currencies of the Company are incurred, amounts in foreign currencies are translated into RMB at the middle market exchange rates announced by the State Administration of Foreign Exchange on the date of transaction. Year-end balances in foreign currency account are retranslated in accordance with the enquiries of the State Administration of Foreign Exchange at the year end.

Although currently RMB is not a freely convertible currency in the PRC, the PRC government is taking initiatives for exchange reform and to adjust exchange rates. Therefore, exchange rate fluctuations will have an impact on the Group's balance of foreign exchange revenue and spending or dividends payable denominated in Hong Kong dollars or other currencies. However, the Group believes that it is able to obtain sufficient foreign exchange to satisfy its foreign exchange revenue and spending.

The Group's operations are mainly in the PRC. Except for export sales, which are mainly transacted in US dollars, the Group currently receives its loans mainly in Renminbi. The Group's exposure to exchange rate fluctuations results primarily from the sales business and purchase of foreign raw materials denominated in foreign currencies.

XVII. DETAILS OF EMPLOYEES

As at 30 June 2014, the Group had 22,426 employees in total, of whom 3,445 were administration personnel, 1,423 were technicians, 16,564 were production personnel, 427 were financial staff and 567 were sales personnel.

XVIII. CONTINGENT LIABILITIES

As at 30 June 2014, the Group did not have any material contingent liabilities.

Report On Review Of Condensed Consolidated Financial Statements

Deloitte.

德勤

To The Board of Directors of 江西銅業股份有限公司

JIANGXI COPPER COMPANY LIMITED

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

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Jiangxi Copper Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 46 to 75, which comprises the condensed consolidated statement of financial position as of 30 June 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing 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 International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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.

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 these condensed consolidated financial statements 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong
27 August 2014



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

	NOTES	Six months ended 30 June	
		2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Revenue	3	92,667,135	87,673,633
Cost of sales		(90,373,325)	(85,012,545)
Gross profit		2,293,810	2,661,088
Other income	4	482,988	327,342
Other gains and losses	5	721,089	10,085
Selling and distribution expenses		(245,149)	(217,567)
Administrative expenses		(782,981)	(761,690)
Finance costs		(638,502)	(495,943)
Share of results of associates		(1,933)	(252)
Share of results of joint ventures		1,823	4,283
Profit before taxation		1,831,145	1,527,346
Taxation	6	(560,327)	(306,068)
Profit for the period	7	1,270,818	1,221,278
Other comprehensive income (expense)			
Items that may be subsequently reclassified to profit or loss:			
Fair value change on hedging instruments designated in cash flow hedges		30,490	(89,233)
Reclassification adjustments relating to transfer of cash flow hedges		(36,508)	115,463
Share of exchange differences of associates		47,406	(27,897)
Share of fair value change on available-for-sale investments of associates		1,895	—
Exchange differences arising on translation		(2,716)	(5,326)
Income tax relating to components of other comprehensive income		3,517	(625)
Other comprehensive income (expense) for the period (net of tax)		44,084	(7,618)
Total comprehensive income for the period		1,314,902	1,213,660

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

	NOTE	Six months ended 30 June	
		2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Profit (loss) for the period attributable to:			
Owners of the Company		1,276,709	1,275,023
Non-controlling interests		(5,891)	(53,745)
		1,270,818	1,221,278
Total comprehensive income (expenses) attributable to:			
Owners of the Company		1,320,367	1,268,512
Non-controlling interests		(5,465)	(54,852)
		1,314,902	1,213,660
Earnings per share			
Basic and diluted	9	RMB0.37	RMB0.37



Condensed Consolidated Statement of Financial Position

At 30 June 2014
(Prepared in accordance with IFRS)

	NOTES	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	10	20,041,724	20,002,661
Investment properties		356,507	174,841
Prepaid lease payments		667,970	489,516
Intangible assets		846,148	864,398
Exploration and evaluation assets		709,365	665,245
Interests in joint ventures		406,057	25,358
Interests in associates		2,718,274	2,652,398
Other investments	11	2,150,000	1,880,000
Available-for-sale investments	12	553,080	539,730
Deferred tax assets		440,179	476,599
Deposits for property, plant and equipment	10	136,504	105,611
Deposit for an investment in an associate		100,000	—
Deposits for prepaid lease payments		—	116,600
		29,125,808	27,992,957
Current assets			
Inventories		14,241,024	14,683,971
Trade and bills receivables	13	16,755,912	14,220,603
Prepayments, deposits and other receivables		7,591,214	6,269,716
Prepaid lease payments		7,517	11,159
Other investments	11	330,000	—
Available-for-sale investments	12	1,344,500	1,501,500
Held-for-trading financial assets		54,568	48,880
Derivative financial instruments	14	183,304	38,498
Restricted bank deposits		5,870,833	4,325,952
Bank balances and cash		20,817,688	19,666,162
		67,196,560	60,766,441

Condensed Consolidated Statement of Financial Position

At 30 June 2014
(Prepared in accordance with IFRS)

	NOTES	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Current liabilities			
Trade and bills payables	15	15,105,119	11,290,992
Other payables and accruals		5,051,776	4,231,388
Deposits from holding company and fellow subsidiaries		800,226	607,530
Deferred revenue - government grants		36,327	37,624
Derivative financial instruments	14	297,309	694,352
Dividend payable		1,731,365	—
Held-for-trading financial liabilities	16	3,034,681	2,802,265
Tax payable		288,319	888,792
Bank borrowings	17	17,808,980	15,745,862
		44,154,102	36,298,805
Net current assets		23,042,458	24,467,636
Total assets less current liabilities		52,168,266	52,460,593
Non-current liabilities			
Bonds payable	18	6,100,845	5,955,393
Bank borrowings	17	93,885	90,062
Provision for rehabilitation		152,673	148,623
Employee benefit liability		153,666	151,889
Deferred revenue - government grants		355,722	372,260
Other long term payables		13,192	13,192
Deferred tax liabilities		106,524	96,752
		6,976,507	6,828,171
		45,191,759	45,632,422
Capital and reserves			
Share capital	19	3,462,729	3,462,729
Reserves		40,641,988	41,052,986
Equity attributable to owners of the Company		44,104,717	44,515,715
Non-controlling interests		1,087,042	1,116,707
		45,191,759	45,632,422

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

	Attributable to owners of the Company													Non-controlling interests	Total
	Share capital	Share premium	Capital reserves	Other reserve	Statutory surplus reserve	Discretionary surplus reserve	Safety funds surplus reserves	Hedging reserve	Translation reserve	Proposed dividends	Retained profits	Total			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
At 1 January 2014 (audited)	3,462,729	12,647,502	(902,113)	(92,506)	4,067,429	9,647,574	228,173	(2,023)	(340,216)	1,731,365	14,067,801	44,515,715	1,116,707	45,632,422	
Profit for the period	—	—	—	—	—	—	—	—	—	—	1,276,709	1,276,709	(5,891)	1,270,818	
Other comprehensive income (expense) for the period	—	—	—	1,895	—	—	—	(2,501)	44,264	—	—	43,658	426	44,084	
Total comprehensive income (expense) for the period	—	—	—	1,895	—	—	—	(2,501)	44,264	—	1,276,709	1,320,367	(5,465)	1,314,902	
Dividends paid to non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	(24,200)	(24,200)	
Dividends declared	—	—	—	—	—	—	—	—	—	(1,731,365)	—	(1,731,365)	—	(1,731,365)	
Transfer between categories	—	—	—	—	—	—	79,968	—	—	—	(79,968)	—	—	—	
At 30 June 2014 (unaudited)	3,462,729	12,647,502	(902,113)	(90,611)	4,067,429	9,647,574	308,141	(4,524)	(295,952)	—	15,264,542	44,104,717	1,087,042	45,191,759	

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

	Attributable to owners of the Company													
	Share capital	Share premium	Capital reserves	Other reserve	Statutory surplus reserve	Discretionary surplus reserve	Safety funds reserves	Hedging reserve	Translation reserve	Proposed dividends	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(Note a)	(Note b)	(Note c)	(Note c)	(Note d)							
At 1 January 2013 (audited)	3,462,729	12,647,502	(902,113)	(92,506)	3,745,682	9,325,827	275,543	403	(259,194)	1,731,365	12,839,598	42,774,836	1,087,559	43,862,395
Profit for the period	—	—	—	—	—	—	—	—	—	—	1,275,023	1,275,023	(53,745)	1,221,278
Other comprehensive income (expense) for the period	—	—	—	—	—	—	—	25,605	(32,116)	—	—	(6,511)	(1,107)	(7,618)
Total comprehensive income (expense) for the period	—	—	—	—	—	—	—	25,605	(32,116)	—	1,275,023	1,268,512	(54,852)	1,213,660
Dividends paid to non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	(7,500)	(7,500)
Dividends declared	—	—	—	—	—	—	—	—	—	(1,731,365)	—	(1,731,365)	—	(1,731,365)
Transfer between categories	—	—	—	—	—	—	51,268	—	—	—	(51,268)	—	—	—
At 30 June 2013 (unaudited)	3,462,729	12,647,502	(902,113)	(92,506)	3,745,682	9,325,827	326,811	26,008	(291,310)	—	14,063,353	42,311,983	1,025,207	43,337,190



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

Notes:

- (a) Capital reserves arise from (i) the difference between the amount by which the non-controlling interests are adjusted and the consideration paid and received for the acquisition of additional interest in a subsidiary and the partial disposal of a subsidiary without losing control; (ii) the difference between the cash consideration paid, shares issued by the Company and the amount of the registered capital of the combined entities under group reorganisations; and (iii) the excess of the value of the net assets immediately before the establishment of the Company injected into the Company by Jiangxi Copper Corporation, a holding company of the Company, as part of group reorganisations which was determined by the People's Republic of China ("PRC") valuer and was approved by the State Assets Administration Bureau over the nominal value of the shares issued upon establishment of the Company.
- (b) Other reserve represents the difference in value of certain assets and liabilities included in the net assets injected into the Company pursuant to group reorganisations calculated in accordance with International Financial Reporting Standards ("IFRSs") and the valuation of assets and liabilities performed by the PRC valuer in accordance with relevant PRC standards and regulations, which valuation was confirmed by the State Assets Administration Bureau.
- (c) The Company shall appropriate to the statutory surplus reserve at 10% of its profit after taxation calculated in accordance with the PRC accounting standards and regulations and the articles of association of the Company. The appropriation may cease to apply if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital. In addition, the Company's articles of association also allow the Company to transfer a certain amount of profit after taxation and after appropriations to the statutory surplus reserve, subject to shareholders' approval, to the discretionary surplus reserve. Accordingly to the Company's articles of association, the statutory surplus reserve and discretionary surplus reserve can be used to make up prior year losses, to expand production operation or to increase share capital. The Company may capitalise the statutory surplus reserve and discretionary surplus reserve by way of bonus issues provided that the amount of the statutory surplus reserve remaining after such an appropriation shall not be less than 25% of the original registered capital of the Company.
- (d) The Group is required to make appropriations in accordance with CaiQi [2006] No. 478 "Tentative measures for the financial management of the production safety fund for the high risk enterprises" that is issued by Ministry of Finance and Safety Production General Bureau. The reserve is for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

	Six months ended 30 June	
	2014 <i>RMB'000</i> (unaudited)	2013 <i>RMB'000</i> (unaudited)
Net cash from operating activities	3,884,192	3,546,127
Investing activities		
Proceeds on disposal of available-for-sale investments	5,855,080	11,147,364
Proceeds on disposal of property, plant and equipment	2,285	47,259
Purchase of available-for-sale investments	(5,633,000)	(11,972,000)
Increase in restricted bank deposits to secure bank borrowings	(1,544,881)	(2,947,463)
Purchase of property, plant and equipment	(837,301)	(805,158)
Purchase of other investments	(600,000)	—
Advance to fellow subsidiaries	(498,000)	—
Investment in a joint venture	(383,876)	—
Deposits paid for property, plant and equipment	(136,504)	(187,164)
Loss from derivative financial instruments	(124,450)	(155,468)
Deposit for investment in an associate	(100,000)	—
Addition of prepaid lease payments	(65,209)	(12,681)
Investment in an associate	(24,545)	—
Repayment of other investments	—	730,133
Other investing cash flows (net)	(20,966)	27,064
Net cash used in investing activities	(4,111,367)	(4,128,114)
Financing activities		
New bank borrowings raised	15,302,558	14,800,701
Proceeds from held-for-trading financial liabilities	1,068,486	827,661
Repayment of bank borrowings	(13,474,583)	(13,125,194)
Repayment of held-for-trading financial liabilities	(1,134,276)	(360,417)
Interest paid	(445,535)	(290,357)
Dividends paid to non-controlling shareholders	(24,200)	(7,500)
Net cash from financing activities	1,292,450	1,844,894
Net increase in cash and cash equivalents	1,065,275	1,262,907
Cash and cash equivalents at the beginning of the period	19,666,162	16,678,343
Effect of foreign exchange rate changes	86,251	(5,326)
Cash and cash equivalents at the end of the period, representing bank balances and cash	20,817,688	17,935,924

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim financial reporting” (“IAS 34”) issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair value, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2014 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2013.

In the current interim period, the Group has applied, for the first time, a new interpretation and certain amendments to IFRSs issued by the IASB that are mandatorily effective for the current interim period.

The application of those interpretation and amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group’s operating activities are attributable to a single operating segment focusing on production and sale of copper and other related products. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to Accounting Standards for Business Enterprises (“ASBE”) issued by the Ministry of Finance of the PRC, that is regularly reviewed by the General Manager of the Group. The General Manager of the Group regularly reviews revenue analysis by products. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective products. The General Manager of the Group reviews the revenue and the operating results of the Group as a whole to make decision about resources allocation. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the General Manager of the Group. Accordingly, no analysis of this single operating segment is presented.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

An analysis of the Group's revenue by category of goods is as follows:

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Sales of goods		
— copper cathodes	54,235,079	53,064,845
— copper rods	24,053,891	23,125,014
— copper processing products	1,612,952	1,633,560
— crude copper and anode plate	1,155,572	180,106
— gold	3,652,497	3,856,189
— silver	1,268,327	1,455,691
— sulphuric and sulphuric concentrate	608,896	1,022,115
— zinc ingot	3,106,695	1,083,787
— rare and other non-ferrous metals	2,050,764	1,646,335
— others	1,191,595	907,254
Revenue analysis prepared in accordance with ASBE	92,936,268	87,974,896
Less: sales related taxes	(269,133)	(301,263)
Revenue analysis prepared in accordance with IFRSs	92,667,135	87,673,633

4. OTHER INCOME

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Interest income	391,026	291,044
Compensation income	34,542	—
Dividend income on available-for-sale investments	20,250	20,250
Government grants recognised (note)	18,232	14,718
Income from value-added tax refund	18,938	1,330
	482,988	327,342

Note: Government grants recognised represents compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs and release of government subsidies granted to the Group in relation to its production facilities.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Fair value change on derivative financial instruments		
Transactions not qualifying for hedge accounting		
— Fair value change on commodity derivative contracts	810,093	(820,333)
— Fair value change on foreign currency forward contracts and interest rate swaps	152,443	42,573
Transactions qualifying as fair value hedges		
— Inventory hedged	6,411	(11,264)
— Fair value change on hedging instruments	(5,111)	7,919
Ineffective portion of cash flow hedges	1,442	582
Fair value change on held-for-trading financial assets	5,702	465
Fair value change on held-for-trading financial liabilities	(240,787)	582,824
Income from other investments	9,963	—
Income from available-for-sale investments	78,737	115,364
(Loss) gain on disposal of property, plant and equipment	(403)	23,220
Exchange (loss) gain, net	(78,138)	67,408
(Impairment loss) reversal of impairment loss on trade and other receivables	(27,318)	1,942
Others	8,055	(615)
	721,089	10,085

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

6. TAXATION

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
The charge (credit) comprises:		
Current taxation		
— PRC Enterprise Income Tax	496,046	572,842
— Hong Kong Profits Tax	1,033	5,227
	497,079	578,069
Underprovision in prior years		
— PRC Enterprise Income Tax	13,568	21,572
Deferred taxation		
— current period	49,680	(145,336)
— attributable to a change in tax rate	—	(148,237)
	49,680	(293,573)
	560,327	306,068

Hong Kong Profits Tax on three (six months ended 30 June 2013: three) of the Group's subsidiaries has been provided at the rate of 16.5% (six months ended 30 June 2013: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

The provision for PRC Enterprise Income Tax is based on a statutory rate of 25% (six months ended 30 June 2013: 25%) of the assessable profits of the Group as determined in accordance with the relevant income tax rules and regulations of the PRC Enterprise Income Tax Law.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	717,457	662,310
Depreciation of investment properties	2,039	2,038
Amortisation of prepaid lease payments	6,997	5,791
Amortisation of intangible assets	20,775	17,193
Allowance for inventories, included in cost of sales	33,384	572,840

8. DIVIDENDS

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Dividends recognised as distribution during the period:		
Final dividend of RMB0.5 per share for 2013 (six months ended 30 June 2013: final dividend of RMB0.5 per share for 2012)	1,731,365	1,731,365

No dividends were paid or proposed during the six months ended 30 June 2014 and 2013.

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company of RMB1,276,709,000 (six months ended 30 June 2013: RMB1,275,023,000) and on the number of 3,462,729,405 (six months ended 30 June 2013: 3,462,729,405) ordinary shares in issue during the period.

Diluted earnings per share is the same as basic earnings per share because there is no outstanding potential dilutive ordinary shares as at 30 June 2014 and 2013 and during the periods.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group spent approximately RMB868,592,000 (six months ended 30 June 2013: RMB557,920,000) on construction in progress and RMB74,320,000 (six months ended 30 June 2013: RMB17,961,000) on other property, plant and equipment. Property, plant and equipment with carrying values of approximately RMB2,688,000 and RMB183,705,000 (six months ended 30 June 2013: RMB24,039,000 and nil) were disposed of by the Group and transferred to investment properties, respectively. The Group also paid deposits for acquisition of property, plant and equipment of RMB136,504,000 (six months ended 30 June 2013: RMB187,164,000).

11. OTHER INVESTMENTS

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Loan investments (<i>Note</i>)	2,480,000	1,880,000
Non-current assets	2,150,000	1,880,000
Current assets	330,000	—
	2,480,000	1,880,000

Note: The amount represented loan investments arranged via a bank to five (31 December 2013: two) independent securities companies with high credit-ratings and good reputation. The loan receivables have maturity dates from 24 October 2014 to 8 October 2016 (31 December 2013: 27 September 2015 and 8 October 2016) and were unsecured and carried particular interest rates.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

12. AVAILABLE-FOR-SALE INVESTMENTS

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Unlisted equity investments, at cost (Note a)	428,746	428,746
Impairment loss recognised	(18,666)	(18,666)
	410,080	410,080
Financial products, at fair value (Note b)	1,277,500	1,371,500
Bonds investment, at fair value (Note c)	210,000	259,650
	1,897,580	2,041,230
Non-current assets	553,080	539,730
Current assets	1,344,500	1,501,500
	1,897,580	2,041,230

Notes:

- (a) The unlisted equity investments represent the Group's equity interests in unlisted PRC companies. None of the shareholdings exceeds 20% of the issued capital of the respective investee.
- (b) As at 30 June 2014, financial products of RMB1,277,500,000 (31 December 2013: RMB1,371,500,000) held by the Group generate annual target return rate ranged from 5.4% to 9.5% (31 December 2013: 5.0% to 10.5%), which will due from 23 September 2014 to 26 November 2016 (31 December 2013: 10 January 2014 to 26 November 2016). As at 30 June 2013, certain of the Group's financial products of RMB100,000,000 generated annual target return rate of 2.7%, which did not have fixed maturity date (30 June 2014: nil). The directors consider that the fair value of the financial products approximate to their costs.
- (c) As at 30 June 2014, the bonds investment held by the Group generate annual target return rate ranged from 6.18% to 7.50% (31 December 2013: 6.18% to 7.17%), which will due from 19 December 2014 to 22 October 2019 (31 December 2013: 19 December 2014 to 22 October 2019). The directors consider that the fair value of the bonds investment approximate to their costs.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

13. TRADE AND BILLS RECEIVABLES

The Group normally allows credit period of three months to its trade customers. The aged analysis of trade and bills receivables, net of allowance for doubtful debts, is presented based on the invoice date at the end of the reporting period as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Within 1 year	16,726,636	14,204,111
1 to 2 years	25,148	13,427
2 to 3 years	4,128	3,065
	16,755,912	14,220,603

14. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2014		As at 31 December 2013	
	Fair value		Fair value	
	Assets RMB'000 (unaudited)	Liabilities RMB'000 (unaudited)	Assets RMB'000 (audited)	Liabilities RMB'000 (audited)
Net settlement:				
Commodity derivative contracts	139,868	(239,032)	37,795	(499,475)
Foreign currency forward contracts and interest rate swap contracts	43,436	—	703	(109,710)
Provisional price arrangements	—	(58,277)	—	(85,167)
	183,304	(297,309)	38,498	(694,352)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

14. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The above derivative financial instruments are further analysed as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Derivatives under hedge accounting:		
Cash flow hedges		
— Commodity derivative contracts	(6,644)	(2,305)
Fair value hedges		
— Commodity derivative contracts	—	151
— Provisional price arrangements	(33,523)	(84,535)
	(40,167)	(86,689)
Derivatives not qualifying for hedge accounting:		
— Commodity derivative contracts	3,638	407
— Provisional pricing arrangements	(24,754)	(632)
	(21,116)	(225)
Derivatives not under hedge accounting:		
— Commodity derivative contracts	(96,158)	(459,933)
— Foreign currency forward contracts and interest rate swap contracts	43,436	(109,007)
	(52,722)	(568,940)
	(114,005)	(655,854)

The Group uses commodity derivative contracts and provisional price arrangements to hedge its commodity price risk. Commodity derivative contracts utilised by the Group are mainly standardised copper cathode future contracts in Shanghai Futures Exchange and London Metal Exchange.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

14. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(a) Derivatives under hedge accounting:

For the purpose of hedge accounting, hedges of the Group are classified as:

— Cash flow hedge

The Group utilises commodity derivative contracts to hedge its exposure to variability in cash flows attributable to price fluctuation risk associated with highly probable forecast sales of copper related products. As at 30 June 2014, the expected delivery period of the forecasted sales for copper related products was from July to September 2014 (31 December 2013: from January to March 2014).

— Fair value hedge

The Group utilises commodity derivative contracts and provisional price arrangements to hedge its exposure to variability in fair value changes attributable to price fluctuation risk associated with inventories. In addition, the Group utilises commodity derivative contracts to hedge its exposure to variability in fair value changes attributable to price fluctuation risk associated with unrecognised firm commitment to sell copper rods.

At the inception of above hedging relationships, the Group formally designates and documents the hedge relationship, risk management objective and strategy for undertaking the hedge. The cash flow hedge and fair value hedge mentioned above were assessed to be highly effective.

(b) Derivatives not under hedge accounting:

The Group utilises commodity derivative contracts to manage the commodity price risk of forecasted purchases of copper cathode as well as copper component within copper concentrate, and forecasted sales of copper wires and rods. These arrangements are designed to address significant fluctuations in the prices of copper concentrate, copper cathodes, copper wires and rods, and copper related products which move in line with the prevailing price of copper cathode.

The Group utilises gold commodity derivative contracts to manage the fair value change of the obligation to return gold with same quantity and quality to banks under gold lease contracts. These arrangements are designed to address significant fluctuation in the fair value of the obligation which move in line with the prevailing price of gold.

In addition, the Group has entered into various foreign currency forward contracts and interest rate swaps to manage its exposures on exchange rate and interest rate.

However, these commodity derivative contracts, foreign currency forward contracts and interest rate swaps are not designated as hedging instruments or not qualified for hedging accounting.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

15. TRADE AND BILLS PAYABLES

The ageing analysis of trade and bills payables is presented based on the invoice date at the end of the reporting period as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Within 1 year	15,038,282	11,245,958
1 to 2 years	45,699	20,163
2 to 3 years	4,524	11,665
Over 3 years	16,614	13,206
	15,105,119	11,290,992

The trade payables are normally settled on 60-day to one-year terms.

16. HELD-FOR-TRADING FINANCIAL LIABILITIES

The Group entered into certain gold lease contract with banks. During the lease period, the Group might sell the leased gold to independent third parties. When the lease period expires, the Group shall return the gold with the same quantity and quality to the banks. The obligation to return the gold is recognised as held-for-trading financial liabilities.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

17. BANK BORROWINGS

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Bank borrowings, secured	9,611,565	4,552,332
Bank borrowings, unsecured	8,291,300	11,283,592
	17,902,865	15,835,924
Carrying amount repayable:		
On demand or within one year	17,808,980	15,565,206
More than one year, but not exceeding two years	—	180,656
More than two years, but not exceeding five years	76,385	72,562
More than five years	17,500	17,500
	17,902,865	15,835,924
Less: Carrying amount of bank borrowing that was repayable more than one year but not exceeding two years from the end of the reporting period but contained a repayable on demand clause (shown under current liabilities)	—	(180,656)
Amount due within one year shown under current liabilities	(17,808,980)	(15,565,206)
	(17,808,980)	(15,745,862)
Amount due after one year shown as non-current liabilities	93,885	90,062

The effective annual interest rates on the Group's bank and other borrowings range from 0.52% to 7.00% (31 December 2013: 0.71% to 6.60%) per annum.

18. BONDS PAYABLE

The bonds are listed on the Shanghai Stock Exchange. The fair value of the bonds at 30 June 2014 was approximately RMB6,228,800,000 (31 December 2013: RMB5,926,200,000), which was determined based on the closing market price at the end of the reporting period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

19. SHARE CAPITAL

	Number of shares	Amount <i>RMB'000</i>
Balance at 1 January 2013, 30 June 2013, 1 January 2014 and 30 June 2014		
H shares	1,387,482,000	1,387,482
A shares	2,075,247,405	2,075,247
	<hr/>	
	3,462,729,405	3,462,729
	<hr/> <hr/>	

There were no changes in the Company's authorised, issued and fully paid share capital in both periods.

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets/ financial liabilities	Fair value as at		Fair value Hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 June 2014 (unaudited)	31 December 2013 (audited)				
1. Listed equity securities classified as held-for- trading financial assets	Assets - RMB681,000	Assets - RMB919,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
2. Listed debenture investments classified as held-for- trading financial assets	Assets - RMB53,887,000	Assets - RMB47,961,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
3. Standardised commodity derivative contracts classified as derivative financial instruments	Assets - RMB98,700,000 Liabilities - RMB239,032,000	Assets - RMB37,795,000 Liabilities - RMB485,512,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
4. Non-standardised commodity derivative contracts classified as derivative financial instruments	Assets - RMB41,168,000	Liabilities - RMB13,963,000	Level 2	The fair value of the commodity derivative contracts is estimated by reference to the quoted bid prices of similar standardised commodity derivative contracts at the end of the reporting period.	N/A	N/A
5. Foreign currency forward contracts classified as derivative financial instruments	Assets - RMB43,436,000 Liabilities - Nil	Assets - RMB703,000 Liabilities - RMB109,710,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets/ financial liabilities	Fair value as at		Fair value Hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 June 2014 (unaudited)	31 December 2013 (audited)				
6. Provisional price arrangements classified as derivative financial instruments	Liabilities - RMB58,277,000	Liabilities - RMB85,167,000	Level 2	The fair value of the provisional price arrangement is estimated by reference to the quoted bid prices of similar standardised commodity derivative contracts at the end of the reporting period and the inception price of the contracts.	N/A	N/A
7. Bonds investment classified as available-for-sale investments	Assets - RMB210,000,000	Assets - RMB259,650,000	Level 2	Discounted cash flow. Fair value are estimated based on its expected cash flows discounted by quoted annual return rate of similar bonds investments.	N/A	N/A
8. Financial products classified as available-for-sale investments	Assets - RMB1,277,500,000	Assets - RMB1,371,500,000	Level 3	Discounted cash flow. Fair value are estimated based on its expected cash flows discounted by unquoted annual return rate of similar financial products.	Unquoted annual return rate of similar financial products provided by counterparties.	The higher the unquoted annual return rate, the lower the fair value.
9. Gold lease contracts classified as held-for-trading financial liabilities	Liabilities - RMB3,034,681,000	Liabilities - RMB2,802,265,000	Level 2	Fair value are estimated based on quoted gold prices at the end of the reporting period.	N/A	N/A

There were no transfers between Level 1, 2 and 3 in the current and prior periods.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures were required)

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values:

	At 30 June 2014	
	Carrying amount <i>RMB'000</i> (unaudited)	Fair value <i>RMB'000</i> (unaudited)
Financial liabilities		
Bonds payable	6,100,845	6,228,800
	At 31 December 2013	
	Carrying amount <i>RMB'000</i> (audited)	Fair value <i>RMB'000</i> (audited)
Financial liabilities		
Bonds payable	5,955,393	5,926,200

The fair value measurement of bonds payable is categorised under Level 1, which is based on quoted bid price in an active market.



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(Prepared in accordance with IFRS)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Reconciliation of Level 3 fair value measurement

Reconciliation of Level 3 fair value measurement of available-for-sale investments:

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
At beginning of the period	1,371,500	1,302,000
Total gain recognised in profit or loss	50,811	106,222
Purchases	933,000	11,972,000
Settlements	(1,077,811)	(11,138,222)
At end of the period	1,277,500	2,242,000

Of the total gains or losses for the period included in profit or loss, RMB31,521,000 (six months ended 30 June 2013: RMB35,363,000) relates to available-for sales investments held at the end of the current reporting period. Fair value gains or losses on available-for sales investments are included in "other gains and losses".

Fair value measurements and valuation processes

In estimating the fair value of the Group's financial assets and financial liabilities, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the management of the Group will assess the valuation of financial instruments based on discounted cash flow or quoted bid prices of the trading day in the over-the-counter markets at the end of each reporting period. At the end of the reporting period, the management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Company. Information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of the Group's financial assets and financial liabilities are disclosed above.

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

21. RELATED PARTY TRANSACTIONS

(a) Transaction with related parties

During the six months ended 30 June 2014 and 2013, the Group entered into the following transactions with related parties:

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales to holding company and fellow subsidiaries		
Sales of copper rods and wire	321,383	470,606
Sales of copper cathode	321,209	268,529
Sales of auxiliary industrial products	36,710	9,799
Sales of lead concentrate	24,907	25,153
Sales of by-products	67,880	59,412
Sales of copper sulfate	1,800	145
	773,889	833,644
Sales to associates		
Sales of sulphuric acid	—	1,210
	—	1,210
Sales to a joint venture		
Sales of auxiliary industrial products	—	53
Sales of sulphuric acid	—	21
	—	74
Sales to non-controlling interests of a subsidiary		
Sales of copper cathode	4,433,056	5,675,508

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

21. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transaction with related parties (Continued)

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Purchases from holding company and fellow subsidiaries		
Purchases of auxiliary industrial products	108,876	76,416
Purchases of sulphuric acid	—	9,098
	108,876	85,514
Purchase from associates		
Purchases of copper waste	152,631	6,325
Purchases from a joint venture		
Purchases of cupric sulfide	—	19,932
Purchase from non-controlling interests of a subsidiary		
Purchase of copper cathode	10,531	230,704
Service fees paid to holding company and fellow subsidiaries		
Rental expense	80,677	78,244
Labour service	23,325	6,539
Brokerage agency services for commodity derivative contracts	3,654	14,609
Interest paid for deposits made	3,599	2,996
Repair and maintenance services	2,474	48,479
Rentals for public facilities	—	6,562
Processing charges	—	3,414
Construction services	—	1,552
	113,729	162,395
Financial services provided to holding company and fellow subsidiaries		
Loan services	498,000	—
Interest charges for financing services	2,353	—
	500,353	—

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

21. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transaction with related parties (Continued)

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Service fees received from holding company and fellow subsidiaries		
Construction services	63,065	48,540
Supply of electricity	19,310	21,036
Vehicle transportation services	4,679	5,255
Repair and maintenance services	4,104	1,303
Other management income	2,789	2,369
Rentals for public facilities	1,335	1,333
Supply of water	4	237
Supply of equipment with design and installation services	—	3,077
Supply of gas	—	6
	95,286	83,156
Service fees received from associates		
Construction services	—	9,051
Service fees received from a joint venture		
Construction services	1,281	672
Supply of electricity	—	461
	1,281	1,133

(b) Compensation of key management personnel of the Group

The remuneration of key management during the period was as follows:

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Short-term benefits	7,228	6,527
Post-employment benefits	282	287
	7,510	6,814

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

21. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties

At the end of the reporting period, the Group have the following balances with related parties:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Trade and bills receivables due from holding company	288	504
Trade and bills receivables due from fellow subsidiaries	533,822	435,592
Trade and bills receivables due from associates	9,199	8,143
Trade and bills receivables due from a joint venture	—	600
Trade and bills receivables due from non-controlling interests of a subsidiary	3,682	69,338
Prepayments and other receivables due from holding company	2,744	531
Prepayments and other receivables due from fellow subsidiaries	1,520,124	736,200
Prepayments and other receivables due from associates	—	2,494
Prepayments and other receivables from non-controlling interests of a subsidiary	99,839	15,468
Trade and bills payable due to holding company	521	1,180
Trade and bills payable due to fellow subsidiaries	29,706	44,893
Trade and bills payable due to a joint venture	4,903	1,001
Trade and bills payable due to non-controlling interests of a subsidiary	—	13,831
Other payables and accruals due to holding company	127,205	136,680
Other payables and accruals due to fellow subsidiaries	18,491	38,080
Other payables and accruals due to non-controlling interests of a subsidiary	60,603	—
Deposits from holding company	304,350	202,139
Deposits from fellow subsidiaries	495,876	405,391
Other long term payables due to holding company	15,202	15,202

Notes To The Condensed Consolidated Financial Statements

For the six months ended 30 June 2014
(Prepared in accordance with IFRS)

21. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Transaction/balances with other state-controlled entities

The Group itself is part of a larger group of companies under the State-owned Assets Supervision & Administration Commission of the People's Government of Jiangxi Province which is controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government.

Apart from the transactions with the parent company and its subsidiaries which have been disclosed in other notes to the condensed consolidated financial statements, the Group also conducts business with entities directly or indirectly controlled, jointly controlled or significant influence by the PRC government in the ordinary course of business, including majority of its bank deposits and the corresponding interest income, certain bank borrowings and the corresponding finance costs, and significant purchases and sales of copper and other related products.

22. COMMITMENTS

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Capital expenditure contracted for but not provided in the Group's condensed consolidated financial statements in respect of:		
Acquisition of property, plant and equipment and exploration and evaluation rights	2,190,941	864,383
Investments in associates (<i>Note</i>)	1,531,406	1,443,033
	3,722,347	2,307,416
Capital expenditure authorised but not contracted for in respect of:		
Acquisition of property, plant and equipment and exploration rights	—	28,000

Note: Included in RMB1,531,406,000 (31 December 2013: RMB1,443,033,000) is RMB1,431,406,000 (31 December 2013 : RMB1,443,033,000) related to the investment in an associate of the Group, MCC-JCL Aynak Minerals Company Limited ("MCC-JCL"). The Company and China Metallurgical Group Corporation ("CMCC") incorporated MCC-JCL in September 2008. Prior to the introduction of other independent investors, the initial shareholder of the Company and CMCC in the MCC-JCL shall be 25% and 75%, respectively. The principal business of MCC-JCL is the exploration and exploitation of minerals in the Central and Western mineralised zones in Aynak Mine in Afghanistan.

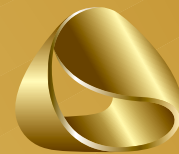
The total investment of MCC-JCL shall be USD4,390,835,000 and shall be funded by equity funding from shareholders and by project loan financing in the proportions of 30% and 70%, respectively. The capital injection shall be contributed by the Company and CMCC on a pro rata basis. The Company shall not be obliged to provide guarantees, indemnities or capital commitments for the project loan financing.

Documents Available for Inspection

1. The 2014 interim report duly signed and sealed by the legal representative of the Company;
2. The 2014 interim report published on the Stock Exchange;
3. The financial statements duly signed and sealed by the legal representative, chief financial officer and accounting chief of the Company;
4. The original copies of all documents and announcements of the Company disclosed in the newspapers designated by CSRC during the reporting period;
5. The Special Report Relating to Deposit and Actual use of Proceeds of Jiangxi Copper Company Limited in the first half of 2014.

Chairman: Li Baomin
Jiangxi Copper Company Limited

27 August 2014



Jiangxi Copper Company Limited