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廈門國際港務股份有限公司
XIAMEN INTERNATIONAL PORT CO., LTD*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3378)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The following announcement was released by Xiamen Port Development Co., Ltd, a subsidiary of Xiamen International Port Co., Ltd, whose A shares were listed on the Shenzhen Stock Exchange. The financial statements of Xiamen Port Development Co., Ltd for the first quarter ended 31 March 2017 were not audited, and have been prepared in accordance with the generally accepted accounting principles of the People's Republic of China (the "PRC").

By order of the Board
Xiamen International Port Co., Ltd
Cai Changzhen
Joint Company Secretary

Xiamen, the PRC, 28 April 2017

As at the date of this announcement, the executive Directors are Mr. Cai Liqun, Mr. Fang Yao, Mr. Chen Zhaohui and Mr. Ke Dong; the non-executive Directors are Mr. Chen Dingyu, Mr. Chen Zhiping, Mr. Fu Chengjing, Mr. Huang Zirong and Ms. Bai Xueqing; and the independent non-executive Directors are Mr. Liu Feng, Mr. Lin Pengjiu, Mr. You Xianghua, Mr. Jin Tao and Mr. Ji Wenyuan.

** For identification purpose only*

Stock Code: 000905

Stock Name: Xiamen Port

Announcement No.: 2017-19

**TEXT OF 2017 FIRST QUARTERLY REPORT
OF XIAMEN PORT DEVELOPMENT CO., LTD**

§ 1 IMPORTANT

The board of directors (the “Board”), the supervisory committee and the directors, supervisors and senior management of the Company should warrant that the content of this quarterly report is true, accurate and complete, does not have any false representation, misleading statement or material omission, and should bear legal liability jointly and severally.

All directors have attended the board meeting for the reviewing of this quarterly report.

Mr. Ke Dong, legal representative of the Company, Mr. Wu Yansong, person-in-charge of the accounting works, and Ms. Chen Bin, person-in-charge of the accounting organ (accounting officer) hereby declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

§2 GENERAL INFORMATION OF THE COMPANY

2.1 Key accounting data and financial indicators

Whether retroactive adjustments or restatements would be made by the Company to the accounting data for the previous years due to changes in accounting policies and corrections in accounting errors

Yes Not

	This reporting period	The same period of last year	Increase/decrease this reporting period over the same period of last year
Operating income (RMB)	2,965,586,677.01	1,911,414,846.67	55.15%
Net profit attributable to the shareholders of the listed Company(RMB)	21,313,197.88	34,147,305.69	-37.58%
Net profit after deducting non-recurring gains/losses attributable to the shareholders of the listed Company(RMB)	19,009,158.67	17,193,969.62	10.56%
Net cash flow from operating activities(RMB)	-267,748,222.85	-186,198,235.72	-43.80%
Basic earnings per share (RMB/share)	0.04	0.06	-33.33%
Diluted earnings per share(RMB/share)	0.04	0.06	-33.33%
Weighted average return rate on net assets	0.82%	1.09%	-0.27%
	End of this reporting period	End of last year	Increase/decrease end of this reporting period over end of last year
Total assets(RMB)	7,195,662,592.67	7,390,152,639.77	-2.63%
Net assets attributable to the shareholders of the listed Company (RMB)	2,613,977,477.70	2,592,068,467.13	0.85%

Items and amount of extraordinary gains / losses

Applicable Not applicable

Unit: RMB

Items	Amount from the beginning of the year to the end of the reporting period	Note
Gains/losses from disposal of non-current assets (including the written-off part of asset depreciation reserves withdrawn)	-1,282,625.25	
Government grants included in gains/losses for the current period (excluding those government subsidies closely related to corporate business, fixed in accordance with the national standard or enjoyed quantitatively)	3,342,803.42	
Gains/losses on fair value change of held-for-trading financial assets and liabilities and investment gain from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets, excluding effective hedging business relating to the ordinary operation business of the Company	511,661.18	
Reversal of receivables depreciation reserves tested for depreciation individually	837,533.15	
Other non-operating incomes and expenses (excluding items mentioned above)	210,131.10	
Less: effect of income tax	904,875.90	
Effect of minority interests (after tax)	410,588.49	
Total	2,304,039.21	--

Explain the reasons if the Company classified any extraordinary gains / losses items defined in the “*Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Extraordinary Gains / Losses*” as recurring gains / losses items, as well as those listed in the said explanatory announcement as recurring gains/losses items

Applicable Not applicable

During the reporting period, there was no such situation concerning the Company classified any extraordinary gains / losses items defined or listed in the “*Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Extraordinary Gains / Losses*” as recurring gains / losses items.

2.2 Total number of shareholders and shareholdings of top ten shareholders at the end of the reporting period

2.2.1 Number of common shareholders and preferred shareholders with voting rights resumed and shareholding of the top ten shareholders

Unit: Number of shares

Total number of common shareholders at the end of the reporting period	61,808	Total number of preferred shareholders with voting rights resumed at the end of the reporting period (if any)	0			
Shareholdings of the top ten shareholders						
Name of shareholders	Nature of shareholders	Proportion of shareholding	Number of shares held	Number of shares held subject to lock-up	Position pledged or frozen	
					Status of shares	Number
Xiamen International Port Co., Ltd (廈門國際港務股份有限公司)	State-owned legal person	55.13%	292,716,000	0		0
Industrial and Commercial Bank of China – Baoying Pan Coastal Zone Growth Hybrid Securities Investment Fund (中國工商銀行－寶盈泛沿海區域增長混合型證券投資基金)	Other	0.81%	4,299,890	0		
Agricultural Bank of China Ltd. - Baoying Transformation Power Flexible Allocation Hybrid Securities Investment Fund (中國農業銀行股份有限公司－寶盈轉型動力靈活配置混合型證券投資基金)	Other	0.75%	3,999,947	0		
Huang Jian'an	Domestic natural person	0.44%	2,325,727	0		
Zhai Yubao	Domestic natural person	0.37%	1,980,802	0		
Xue Tao	Domestic natural person	0.36%	1,934,310	0		
Pei Hongwei	Domestic natural person	0.36%	1,917,712	0		

Bank of Communications – Hua’an Innovation Securities Investment Fund (交通銀行－華安創新證券投資基金)	Other	0.23%	1,224,445	0	
Ning Shen	Domestic natural person	0.20%	1,041,699	0	
Hai Lati • Abulimiti (海拉提•阿不力米提)	Domestic natural person	0.20%	1,038,818	0	
Shareholdings of top ten shareholders holding shares without lock-up					
Name of shareholders	Number of shares held without lock-up	Class of shares			
		Class of shares	Number		
Xiamen International Port Co., Ltd (廈門國際港務股份有限公司)	292,716,000	Renminbi denominated ordinary shares	292,716,000		
Industrial and Commercial Bank of China – Baoying Pan Coastal Zone Growth Hybrid Securities Investment Fund (中國工商銀行－寶盈泛沿海區域增長混合型證券投資基金)	4,299,890	Renminbi denominated ordinary shares	4,299,890		
Agricultural Bank of China Ltd. - Baoying Transformation Power Flexible Allocation Hybrid Securities Investment Fund (中國農業銀行股份有限公司－寶盈轉型動力靈活配置混合型證券投資基金)	3,999,947	Renminbi denominated ordinary shares	3,999,947		
Huang Jian’an	2,325,727	Renminbi denominated ordinary shares	2,325,727		
Zhai Yubao	1,980,802	Renminbi denominated ordinary shares	1,980,802		
Xue Tao	1,934,310	Renminbi denominated ordinary shares	1,934,310		
Pei Hongwei	1,917,712	Renminbi denominated ordinary shares	1,917,712		
Bank of Communications – Hua’an Innovation Securities Investment Fund (交通銀行－華安創新證券投資基金)	1,224,445	Renminbi denominated ordinary shares	1,224,445		
Ning Shen	1,041,699	Renminbi denominated ordinary shares	1,041,699		
Hai Lati • Abulimiti (海拉提•阿不力米提)	1,038,818	Renminbi denominated ordinary shares	1,038,818		

Explanation of the connected relationships or concerted actions for the above-mentioned shareholders	<ol style="list-style-type: none"> 1. Xiamen International Port Co., Ltd is the only one shareholder holding more than 5% (including 5%) of the Company's shares, which is the controlling shareholder of the Company, the connected nature is controlling parent company, the nature of the shareholding is state-owned legal person shares; 2. The other top ten shareholders of the Company have no connected relation with the controlling shareholder of the listed company, and they are also not the concerted action person defined under “<i>Measures for the Administration of the Acquisition of Listed Companies</i>”, either; 3. It is unknown that whether the connected relationship or concerted action relationship exists or not among other shareholders holding tradable shares.
Explanation of top ten common shareholders involved in securities margin trading business (if any)	<ol style="list-style-type: none"> 1. Zhai Yubao holds 1,682,802 shares of the Company through Credit Transactions Guarantee Securities Accounts. 2. Hai Lati • Abulimiti holds 1,027,318 shares of the Company through Credit Transactions Guarantee Securities Accounts.

Whether top ten common shareholders or top ten common shareholders without lock-up of the Company carried out any agreed buy-back transactions during the reporting period

Yes Not

No top ten common shareholders and top ten common shareholder without lock-up of the Company carried out any agreed buy-back transactions during the reporting period

2.2.2 Total number of preferred shareholders of the Company and the shareholdings of the top ten preferred shareholders

Applicable Not applicable

§3 IMPORTANT ISSUES

3.1 Details for changes in major financial data and financial indicators and the reasons thereof during the reporting period

√ Applicable Not applicable

1. Monetary fund decreased by 52.27% from the beginning of the reporting period to the end of the same, which was mainly due to the consideration of RMB 350 million for the acquisition of Shihushan terminal company paid by the Company to Xiamen Port Holding Group Co., Ltd. according to the equity transfer agreement during this reporting period.
2. Accounts receivable increased by 30.84% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in accounts receivable as a result of the increase in trading business during this reporting period.
3. Interests receivable decreased by 100% from the beginning of the reporting period to the end of the same, which was mainly due to the withdrawal of bank deposit interests by Xiamen Ocean Shipping Agency (廈門外代), a subsidiary of the Company, during this reporting period.
4. Non-current assets due within one year decreased by 100% from the beginning of the reporting period to the end of the same, which was mainly due to the withdrawal of the third installment of repurchase funds of “Build – Transfer (BT) Project of Construction Investment in Section A1 of Inter-connection Highway Connecting the Gulei Operating Area and the Gulei Harbour Area” during this reporting period.
5. Other non-current assets increased by 78.54% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in works prepayment by Chaozhou Port, a subsidiary of the Company, during this reporting period.
6. Short-term borrowings increased by 205.14% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in bank borrowings by Port Trading, a subsidiary of the Company, during this reporting period.
7. Bills payable increased by 60.97% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in bank acceptance bills for trading business during this reporting period.
8. Advance payment increased by 49.34% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in advance payment for trading business during this reporting period.
9. Salaries payable to employees decreased by 60.52% from the beginning of the reporting period to the end of the same, which was mainly due to the payment of year-end bonus provided last year during this reporting period.
10. Taxes payable decreased by 34.82% from the beginning of the reporting period to the end of the same, which was mainly due to the payment of the income tax unpaid at the beginning of this year during this reporting period.
11. Interests payable increased by 64.89% from the beginning of the reporting period to the end of the same, which was mainly due to the provision of the interest on corporate bond by the Company during this reporting period.
12. Other payables decreased by 30.55% from the beginning of the reporting period to the end of the same, which was mainly due to the consideration of RMB 350 million for the acquisition of Shihushan terminal company paid by the Company to Xiamen Port Holding Group Co., Ltd. according to the equity transfer agreement during this reporting period.
13. Non-current liabilities due within one year decreased by 35.09% from the beginning of the reporting period to the end of the same, which was mainly due to the repayment of the borrowings due during this reporting period.
14. Long-term borrowings increased by 32.78% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in long-term borrowings of Chaozhou Port, a subsidiary of the Company, during this reporting period.
15. Operating income and operating costs from January to March of 2017 increased by 55.15% and 58.7% respectively as compared with the same period of last year, which was mainly due to the increase in trading business during this reporting period.
16. The financial expenses from January to March of 2017 increased by 382.83% as compared with the same period of last year, which

was mainly due to the newly-added provision of the interest on corporate bond during this reporting period.

17. Assets impairment losses from January to March of 2017 increased by 140.74% as compared to the same period of last year, which was mainly due to the fact that no writing back of provision for inventories impairment occurred during this reporting period, while there was writing back of partial provision for inventories impairment for trading business as a result of a recovery in steel market during the same period of last year.

18. Investment income from January to March of 2017 decreased by 336.32% as compared to the same period of last year, which was mainly due to the decrease in investment income confirmed by associated companies and joint ventures during this reporting period as compared to the same period of last year as well as the decrease in gains from banks' wealth investment products.

19. Non-operating income from January to March of 2017 decreased by 83.48% as compared to the same period of last year, which was mainly due to the fact that Dongdu Branch of the Company received compensation gain related to the early transition and relocation to ITG Terminal during the same period of last year, while no such gain occurred during this reporting period.

20. Non-operating expenses from January to March of 2017 increased by 33.98% as compared to the same period of last year, which was mainly due to the increase in loss on disposal of non-current assets during this reporting period.

21. Net cash flow generated from operating activities during this reporting period decreased by 43.8% as compared to the same period of last year, which was mainly due to the increases in the purchase of inventories and cashes paid to employees and paid for employees during this reporting period.

22. Net cash flow generated from investment activities during this reporting period decreased by 208.19% as compared to the same period of last year, which was mainly due to the consideration of RMB 350 million for the acquisition of Shihushan terminal company paid by the Company to Xiamen Port Holding Group Co., Ltd. according to the equity transfer agreement during this reporting period.

23. Net cash flow generated from financing activities during this reporting period increased by 335.45% as compared to the same period of last year, which was mainly due to the increase in borrowings during this reporting period.

24. Net increase in cash and cash equivalents during this reporting period decreased by 78.46% as compared to the same period of last year, which was mainly due to the significant decrease in net cash flow generated from investment activities during this reporting period.

3.2 Analysis and explanation of the progress of significant events and their effects and the solutions

Applicable Not applicable

3.3 Overdue commitments that have not been fully fulfilled by commitments – related parties, such as actual controllers of the Company, shareholders, related parties, the acquirers and the Company, during the reporting period

Applicable Not applicable

3.4 Estimation of operating results for the period from January to June of 2017

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or warning of its significant change compared with the corresponding period of last year and explanation of the reasons

Applicable Not applicable

3.5 Securities investment

Applicable Not applicable

The Company was not involved in any securities investment during the reporting period.

3.6 Investments in derivatives

Applicable Not applicable

Unit: RMB (in ten thousands)

The name of operators of derivatives investment	Connected relationship	Connected transaction (Yes/No)	Category of Derivatives investment	Original amount of derivatives investment	Beginning date	Closing date	Investment amount at the beginning of the period	Purchase amount during the reporting period	Sales amount during the reporting period	Amount of impairment provision (if any)	Investment amount at the end of the period	Percentage of investment amount at the end of the period to the Company's net assets at the end of the reporting period	Actual amount of profit or loss during the reporting period
Guomao Futures Company Limited	Non-connected party	No	Polyethylene	0	3 February 2017	23 February 2017	0	509.02	523		0	0.00%	13.68
Guomao Futures Company Limited	Non-connected party	No	Polypropylene	0	23 January 2017	31 March 2017	0	896.72	934.79		0	0.00%	37.49
Total				0	--	--	0	1,405.74	1,457.79		0	0.00%	51.17
Capital resource of derivatives investment				Self-owned capital.									
Litigation involved(if applicable)				No.									
The disclosure date of the Board's announcement in relation to the approval of derivatives investment (if any)				24 January 2017									
The disclosure date of the announcement of the general meeting in relation to the approval of derivatives investment (if any)													

<p>Description of risk analysis and control measures of derivatives position during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operation risk, legal risk etc.)</p>	<p>The risk analysis of positions in derivatives during the reporting period: the Company carries out only spot hedging operations other than speculative and arbitraging ones, for the purpose of avoiding operating risks. Spot hedging is exposed to mainly risks relating to market system, consisting of margin system, price limit system and debt-free day system. Mandatory liquidation will be carried out, if margin calls are not met in a timely manner, while the price changes adversely; in respect of the price volatility risk, the future market prices are highly sensitive to various factors, and hence subject to continuous fluctuations; in respect of the internal control risk, risks may arise from defective internal control, as the process of futures trading is highly professional and complicated.</p> <p>Risk control measures taken are as follows: to carefully select futures brokerage companies, set up a reasonable institutional framework of future business, and make proper staffing and deployment; to strictly control the scale of funds underlying hedging, and make good plans on, and use of margin; to strictly abide by the operation rules of hedging, adhere to the hedging purposes, never make speculative trading, and hedge the price volatility risk to the greatest extent; to formulate a special internal control system, making specific provisions on the hedging quota, type, authority of examination and approval, internal approval process, reporting system of internal risks, procedure of risks handling, and information disclosure; and to work out a processing program for erroneous trading, etc.</p>
<p>Changes in market price or fair value of derivatives invested during the reporting period, where specific methods and relevant assumptions and parameters used, shall be disclosed in the analysis of derivatives' fair value</p>	<p>As at 31 March 2017, the futures have been fully closed, no change in fair value.</p>
<p>Description of any significant changes in the Company's accounting policies and specific auditing principles of derivatives during the reporting period from the previous reporting period</p>	<p>No significant change.</p>
<p>Special opinion of independent directors on derivative investment and risk control by the Company</p>	<p>As the Company used futures instruments only to fixed prices, the risks can be properly controlled, as long as the process of the futures management system of the Company is followed.</p>

3.7 Registration form for the activities of receiving investigation and research, communication and interview during the reporting period

✓ Applicable Not applicable

Time	Mode	Type of target	Index to basic situation of investigation and research
2 January 2017	Written inquiries	Individual	About the shareholders of the Company
2 January 2017	Written inquiries	Individual	About the shareholders of the Company
3 January 2017	Written inquiries	Individual	About the shareholders of the Company
4 January 2017	Written inquiries	Individual	About the operation of the Company
5 January 2017	Written inquiries	Individual	About the operation of the Company
6 January 2017	Written inquiries	Individual	About the future development of the Company
9 January 2017	Written inquiries	Individual	About the operation and future development of the Company
9 January 2017	Written inquiries	Individual	About the operation of the Company
10 January 2017	Written inquiries	Individual	About the future development of the Company
11 January 2017	Written inquiries	Individual	About the future development of the Company
11 January 2017	Written inquiries	Individual	About the future development of the Company
13 January 2017	Written inquiries	Individual	About the future development and annual profit distribution of the Company

13 January 2017	Written inquiries	Individual	About the future development of the Company
16 January 2017	Written inquiries	Individual	About the shareholders of the Company
16 January 2017	Written inquiries	Individual	About the future development of the Company
16 January 2017	Written inquiries	Individual	About the shareholders of the Company
16 January 2017	Written inquiries	Individual	About the future development of the Company
24 January 2017	Written inquiries	Individual	About the future development of the Company
24 January 2017	Written inquiries	Individual	About the future development and annual profit distribution of the Company
24 January 2017	Written inquiries	Individual	About the future development of the Company
25 January 2017	Written inquiries	Individual	About the future development of the Company
25 January 2017	Written inquiries	Individual	About the future development of the Company
2 February 2017	Written inquiries	Individual	About the shareholders of the Company
3 February 2017	Written inquiries	Individual	About the annual profit distribution of the Company
3 February 2017	Written inquiries	Individual	About the operation of the Company
3 February 2017	Written inquiries	Individual	About the future development of the Company
3 February 2017	Written inquiries	Individual	About the shareholders of the Company
16 February 2017	Written inquiries	Individual	About the shareholders of the Company
19 February 2017	Written inquiries	Individual	About the shareholders of the Company
1 March 2017	Written inquiries	Individual	About the shareholders of the Company
6 March 2017	Written inquiries	Individual	About the operation of the Company
16 March 2017	Written inquiries	Individual	About the future development of the Company
19 March 2017	Written inquiries	Individual	About the future development of the Company

3.8 Illegal external guarantees

Applicable Not applicable

The Company had no illegal external guarantees during the reporting period.

3.9 The listed company's non-operating capital occupied by controlling shareholders and their related parties

Applicable Not applicable

No non-operating capital of the listed company was occupied by controlling shareholders and their related parties in the Company during the reporting period.