江西銅業股份有限公司

JIANGXI COPPER COMPANY LIMITED

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

(Stock Code: 0358)

2011 INTERIM RESULTS ANNOUNCEMENT

I. 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 there are no false representations, misleading statements contained in or material omissions from this announcement, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the information herein contained.

This announcement is extracted from the full text of the interim results report, which will be published on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (http://www.hkex.com.hk) and the Company (http://www.jxcc.com). Investors should read the full text of the interim results report for details.

(2) The Director, Mr. Gan Chengjiu was unable to attend the Board meeting, but has appointed the Chairman, Mr. Li Yihuang, to attend the Board meeting and to vote on his behalf. Save as disclosed, 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 "IFRSs") have been reviewed by Ernst & Young Certified Public Accountants and considered and approved by the independent audit committee (the "Audit Committee") of the Company.

(4) No non-operational funding appropriation by controlling shareholders and its connected parties was found in the Group.

(5) The Group did not provide third-party guarantees in violation of stipulated decision-making procedures.

(6) The Company's Chairman, Mr. Li Yihuang, the principal accounting responsible person, Mr. Gan Chengjiu, and Head of Financial Department (accounting chief), Mr. Jiang Liehui, warrant the truthfulness and completeness of the financial report set out in the interim report.

II. MAJOR FINANCIAL DATA AND INDICATORS

1. Consolidated Accounting Data and Financial Indicators Prepared in Accordance with IFRSs

	For the six months ended 30 June		
	2011	2010	Increase/
	(Unaudited)	(Unaudited)	(decrease)
	(RMB'000)	*(RMB'000)*	*(%)*
Revenue	**59,062,247**	37,433,645	57.78
Profit before taxation	**5,161,931**	2,960,039	74.39
Net profit for the period attributable to owners of the Company	**4,313,216**	2,199,213	96.13
Basic earnings per share *(RMB)*	**1.25**	0.73	71.23

	As at 30 June	As at 31 December	
	2011	2010	Increase/
	(Unaudited)	(Audited)	(decrease)
	RMB'000	*RMB'000*	*(%)*
Total assets	**66,516,853**	54,844,773	21.28
Total liabilities	**28,327,928**	20,307,367	39.50
Net assets attributable to owners of the Company	**37,774,948**	34,123,226	10.70
Net assets per share attributable to owners of the Company *(RMB/share)*	**10.91**	9.85	10.76

2. Consolidated Accounting Data and Financial Indicators Prepared in Accordance with the PRC Accounting Standards ("PRC GAAP")

	As at 30 June 2011 (Unaudited) ***(RMB'000)***	As at 31 December 2010 (Audited) *(RMB'000)*	Increase/ (decrease) *(%)*
Total assets	**66,516,856**	54,844,774	21.28
Net assets attributable to owners of the Company	**37,774,948**	34,123,226	10.70
Net assets per share attributable to owners of the Company *(RMB)*	**10.91**	9.85	10.76

	For the six months ended 30 June		
	2011	2010	Increase/
	(Unaudited)	(Unaudited)	(decrease)
	RMB'000	*RMB'000*	*(%)*
Operating profit	**5,062,701**	2,818,999	79.59
Total profit	**5,076,434**	2,884,299	76.00
Net profit attributable to owners of the Company	**4,228,577**	2,124,210	99.07
Net profit after non-recurring profit and loss items attributable to owners of the Company	**3,780,273**	1,974,619	91.44
Basic earnings per share *(RMB)*	**1.22**	0.70	74.29
Basic earnings per share after non-recurring profit and loss items *(RMB)*	**1.09**	0.65	67.69
Diluted earnings per share *(RMB)*	**1.22**	0.65	87.69
Weighted average return on net assets *(%)*	**11.69**	8.87	Increased by 2.82 percentage points
Net cash inflow from operating activities	**3,952,253**	434,759	809.07
Net cash inflow from operating activities per share *(RMB)*	**1.14**	0.14	714.29

Net profit after non-recurring profit and loss items attributable to shareholders of the Company (prepared under the PRC GAAP) is set out as follows:

	For the six months ended 30 June 2011 (Unaudited) *RMB'000*
Net profit attributable to owners of the Company	**4,228,577**
Add: Non-recurring profit and loss items	
Net loss on disposal of non-current assets	**103**
Non-recurring gains from government grant	**(9,466)**
Net fair value gains from financial assets and financial liabilities held for trading, and net investment gains from disposal of financial assets and liabilities held for trading and available-for-sale financial assets, excluding effective portion of normal transactions qualified for hedge accounting	**(559,960)**
Other non-recurring items included in non-operating income and expenses	**(4,369)**
Impact of non-recurring profit and loss items on income tax	**116,202**
Net profit after non-recurring profit and loss items	**3,771,087**
Less: Impact of non-recurring profit and loss items on minority interests, net	**(9,186)**
Net profit attributable to owners of the Company after non-recurring profit and loss items	**3,780,273**

Note: The Company's recognition of non-recurring profit and loss items is in accordance with the regulations of No.1 Interpretation (CSRC [2008] No. 43) under Regulation on Information Disclosure of Companies with Public Offering of Securities issued by the China Securities Regulatory Commission ("CSRC").

3. Reconciliation Between IFRSs and PRC GAAP

(1) Discrepancies between net profit and net assets in the financial report disclosed under IFRSs and those disclosed under PRC GAAP

	Consolidated net profit attributable to owners of the Company For the six months ended 30 June		**Consolidated net assets attributable to owners of the Company**	
			As at 30 June	As at 31 December
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Financial statements prepared in accordance with PRC GAAP	**4,228,577**	2,124,210	**37,774,948**	34,123,226
Adjustments in accordance with IFRSs:				
Reversal of the safety fund expenses provided but not utilized under the PRC GAAP during the period	**84,639**	75,003	**—**	—
Financial statements prepared in accordance with IFRSs	**4,313,216**	2,199,213	**37,774,948**	34,123,226

Note: Difference between PRC GAAP and IFRSs refers to reversal of the safety fund expenses provided but not used under PRC GAAP in the consolidated income statement under IFRSs.

III. CHANGES IN SHARE CAPITAL AND SHAREHOLDERS

(I) STATEMENT OF CHANGES IN SHARES

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

(II) THE NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS

The number of shareholders at the end of the reporting period	214,477 shareholders in total, of which 213,426 were holders of A shares and 1,051 were holders of H shares

Shareholdings of the top ten shareholders

Name of shareholder	Type 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	38.77	1,342,479,893	0	0	Nil
HKSCC Nominees Limited ("HKSCC")	Unknown	37.75	1,307,119,613	-4,357,000	0	Unknown
China Life Insurance Company Limited - Dividend - Individual Dividend - 005L - FH002 Shanghai (中國人壽保險股份有限公司－分紅－個人分紅－005L－FH002滬)	Unknown	0.39	13,463,690	-7,871,864	0	Unknown
Industrial and Commercial Bank of China - Guang Fa Large-cap Growth Mixed Securities Investment Fund (中國工商銀行－廣發大盤成長混合型證券投資基金)	Unknown	0.35	12,099,757	1,100,000	0	Unknown
DA ROSA JOSE AUGUSTO MARIA	Unknown	0.29	10,000,000	10,000,000	0	Unknown
Bank of Communications - E Fund 50 Index Securities Investment Fund (交通銀行－易方達50指數證券投資基金)	Unknown	0.24	8,162,781	0	0	Unknown
China Construction Bank - Yinhua-Dow Jones China 88 Select Equity Fund (中國建設銀行－銀華－道瓊斯88精選證券投資基金)	Unknown	0.22	7,509,283	7,509,283	0	Unknown
Industrial and Commercial Bank of China - SSE 50 Trading Index Securities Investment Open-ended Fund (中國工商銀行－上證50交易型開放式指數證券投資基金)	Unknown	0.21	7,411,828	930,099	0	Unknown
Agricultural Bank of China - Zhongyou Core Prime Stock Securities Investment Fund (中國農業銀行－中郵核心優選股票型證券投資基金)	Unknown	0.15	5,185,232	2,095,310	0	Unknown
Industrial and Commercial Bank of China - South Prime Stock Investment Fund (中國工商銀行－南方成份精選股票型證券投資基金)	Unknown	0.14	4,935,774	-5,190,156	0	Unknown

Shareholdings of the top ten shareholders not subject to trading moratorium

Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares
JCC	1,342,479,893	Ordinary shares denominated in RMB (A Shares) 1,282,074,893 Overseas listed foreign shares (H Shares) 60,405,000
HKSCC	1,307,119,613	Overseas listed foreign shares (H Shares)
China Life Insurance Company Limited - Dividend - Individual Dividend - 005L - FH002 Shanghai (中國人壽保險股份有限公司 — 分紅 — 個人分紅 — 005L — FH002滬)	13,463,690	Ordinary shares denominated in RMB (A Shares)
Industrial and Commercial Bank of China - Guang Fa Large-cap Growth Mixed Securities Investment Fund (中國工商銀行 — 廣發大盤成長混合型證券投資基金)	12,099,757	Ordinary shares denominated in RMB (A Shares)
DA ROSA JOSE AUGUSTO MARIA	10,000,000	Overseas listed foreign shares (H Shares)
Bank of Communications - E Fund 50 Index Securities Investment Fund (交通銀行 — 易方達50指數證券投資基金)	8,162,781	Ordinary shares denominated in RMB (A Shares)
China Construction Bank - Yinhua-Dow Jones China 88 Select Equity Fund (中國建設銀行 — 銀華 — 道瓊斯88精選證券投資基金)	7,509,283	Ordinary shares denominated in RMB (A Shares)

Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares
Industrial and Commercial Bank of China - SSE 50 Trading Index Securities Investment Open-ended Fund (中國工商銀行－上證50交易型開放式指數證券投資基金)	7,411,828	Ordinary shares denominated in RMB (A Shares)
Agricultural Bank of China - Zhongyou Core Prime Stock Securities Investment Fund (中國農業銀行－中郵核心優選股票型證券投資基金)	5,185,232	Ordinary shares denominated in RMB (A Shares)
Industrial and Commercial Bank of China - South Prime Stock Investment Fund (中國工商銀行－南方成份精選股票型證券投資基金)	4,935,774	Ordinary shares denominated in RMB (A Shares)

The explanation of the connected relationship or parties acting in concert among the aforesaid shareholders	The Company is not aware of any connected relationship among the above holders of shares not subject to trading moratorium, nor any parties acting in concert as defined in Administrative Measures on Acquisitions of Listed Companies.

(1) As far as the Directors are aware, JCC, the controlling shareholder of the Company, and the other top ten shareholders are neither connected persons nor parties acting in concert. The Company is not aware of the existence of such relationship amongst any other top ten shareholders.

(2) HKSCC held 1,307,119,613 H Shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 37.75% 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.

(3) At the end of the reporting period, JCC held 60,405,000 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 1,367,524,613 shares as nominee, representing approximately 39.49% of the issued share capital of the Company.

IV. REPORT OF THE BOARD

During the reporting period, the Group adhered to the development strategy and deepened its reformation by resorting to enhanced internal management and strengthened efforts in risk monitoring and prevention. The Group has overcome the adverse impact of restrictions on electricity output and floods, and all the production volume of principal products has been completed as planned, and the operating results are the best compared with same periods in history.

(I) DISCUSSION AND ANALYSIS OF THE OVERALL OPERATIONS DURING THE REPORTING PERIOD

1. Industry Overview

In the first half of the year, the second round of quantitative monetary easing policy in the United States and the on-going depreciation of US Dollars kept pushing up the copper price. However, such momentum was curbed under the impact of the debt crisis and geopolitical crisis in Europe and America, the sluggish recovery of the global economy and the tightening macro-monetary policy in China. The boom and bust in prices of global commodities as a whole has ended, but the consolidated prices were still at its high.

During the reporting period, the average monthly closing price of three-month copper futures on London Metal Exchange ("LME") was US$9,408 per tonne, representing an increase of US$2,249 per tonne or 31.41% as compared with the same period last year. Weighted average price of three-month copper futures on the Shanghai Futures Exchange (inclusive of tax) was RMB70,125 per tonne, representing an increase of RMB12,418 per tonne or 21.52% as compared with the same period last year.

As to joint-products, gold and silver repeatedly recorded high prices during the same period; sulphuric acid, sulphuric concentrate and rare metals also recorded a substantial increase in prices as compared with the same period last year.

The copper smelting processing fee, though lingering around the lowest level in history, saw a rebound as compared with the same period last year.

Generally speaking, the enduring high commodity price is favorable to the operation of the Group, but it also brings a more severe challenge in aspects such as financing, sales and risk control for the down-stream processing enterprises of the Group.

2. *Business Review*

During the reporting period, operating results of the Group had increased substantially. According to the unaudited consolidated financial statements prepared under PRC GAAP, the operating revenue of the Group amounted to RMB59,318.43 million, representing an increase of RMB21,747.94 million or 57.89% over the same period last year. Operating profit amounted to RMB5,062.70 million, representing an increase of RMB2,243.70 million or 79.59% over the same period last year. Net profit attributable to shareholders of the Company amounted to RMB4,228.58 million, representing an increase of RMB2,104.37 million or 99.07% over the same period last year. Basic earnings per share was RMB1.22, representing an increase of RMB0.52 or 74.29% over the same period last year.

During the reporting period, the Group fulfilled the production volume as planned. The Group produced 485,000 tonnes of copper cathode (including processed copper cathode), representing a growth of 7.30% over the same period last year (2010 interim: 452,000 tonnes). Compared with the same period last year, the production of gold increased by 23.30% to 12,840 kg (2010 interim: 10,414 kg); while the production of silver increased by 25.74% to 298 tonnes (2010 interim: 237 tonnes). The production of copper rods and wires increased by 3.02% to 205,000 tonnes as compared with the same period last year (2010 interim: 199,000 tonnes). Sulphuric acid decreased by 1.64% to 1,200,000 tonnes as compared with the same period last year (2010 interim: 1,220,000 tonnes). The production of sulphuric concentrate reached 830,000 tonnes, representing an increase of 9.21% over the same period last year (2010 interim: 760,000 tonnes). Copper concentrates (containing copper) increased by 14.29% to 96,000 tonnes as compared with the same period last year (2010 interim: 84,000 tonnes). Production of molybdenum concentrate (45%) was 2,367 tonnes, representing an increase of 4.78% as compared with the same period last year (2010 interim: 2,259 tonnes). Production of copper processing products other than copper rods and wires increased by 6.45% to 33,000 tonnes over the same period last year (2010 interim: 31,000 tonnes).

(II) Prospect for the second half of the year

Given the slowdown in the global economic recovery, in particular in developed regional economies such as Europe and the United States, as well as the debt crisis in the United States and Europe, the prospect of a sustained economic recovery is dim. In light of a consistently weak greenback and soaring commodity prices worldwide, the inflation environment will hardly be improved in the near term, and the macro-control so arises will continue as well. In China, the economy will see a steady but decelerating growth in the second half of the year. Under such circumstances, prices of the Group's products such as copper, gold, silver and rare metals are unlikely to experience any substantial fall. However, downstream copper enterprises will be subject to pressure on both sales and fund brought about by the macro-control, thus affecting the actual demand for copper.

Accordingly, in addition to pushing ahead its resource-oriented development strategy in the second half of the year, the Group will strengthen market research and internal control with specific focus on averting risks:

1. *Complete construction of projects in progress*

   At the heart of the plan is to press ahead the construction of 5,000 tonnes/day technical improvement of Yinshan Mine and No.5 mine exploitation project of Dongtong Mine to increase the production volume of the Group's self-produced mines, and to make use of existing facilities to build up smelting and copper processing capacity for enhancing economies of scale. The Group will work hard on development of projects such as the technological renovation project for additional capacity of 50,000 tonnes of copper cathode at Guixi Smelter and phase II precise pipe project at Jiangxi Copper Longchang. To further optimise its industry layout, the Group will set up the construction of 400,000-tonne copper rod project in Zengcheng, Guangzhou. It will also strive for early commissioning of Phase I 600,000-tonne pyrites project at Dexing, the expansion project on consolidated recycling of Guixi Smelter and other energy saving and integrated consolidated utilisation projects for the most efficient use of its resources.

   In addition, the Group endeavours to assist in the construction of the Aynak Copper Mine project in Afghanistan and the copper mine construction project of Northern Peru Copper Corp.

2. *Enforce risk control and prevention*

   Risk control is to be strengthened and management over receivables is to be tightened to maintain a reasonable scale of receivables. A more stringent credit monitoring of major customers will be exercised, together with a stricter control over the size of inventories through a stronger management on the inventory levels of copper raw materials, products in progress and finished products. With these initiatives, the Group aims to prevent loss making due to price fluctuations and refrain from fund appropriation.

3. *Shift to new business ideology and reinvent marketing modes*

In recent years, the processing fees of copper concentrates have been sustainably low. Competitions over blister and scrap copper have thus become more intense and procurement of raw materials has become more difficult. The downstream copper processing products are, however, in a highly competitive market. Looking ahead, as domestic copper smelting plants under construction gradually come into operation, sales of copper cathode will face stiff challenges. In the second half of the year, the Group will conscientiously explore new marketing modes throughout its marketing practices, partly by enhancing cooperation between the marketing department and other business departments to seek a marketing mode that will align traditional trading practices with modern financial means, both virtually and in practice. Using commodity and leveraging the synergy among the trading flow, futures flow and capital flow so incurred, the Group aims to realise operation revenue. Second, on raw materials procurement, the Group will optimise its raw materials structure and selection of suppliers, so as to shift from the concept of safeguarding supply to the concept of maintaining both stable supply and higher profits.

4. *Establish and refine the internal control system*

The establishment of an internal control system is one of the main agendas of the Group this year. In compliance with the "Basic Rules of Enterprise Internal Control"(《企業內部控制制度》) and the "Guidance on Enterprise Internal Control"(《企業內部控制配套指引》), the Group has conformed to its actual conditions and established a new internal control framework which will be promoted and implemented within the Group in the second half of the year.

(III) WARNING AND EXPLANATION IN THE FORECAST OF ANY POSSIBLE LOSS IN ACCUMULATED NET PROFIT FROM THE BEGINNING OF THE YEAR TO THE END OF NEXT REPORTING PERIOD OR ANY MATERIAL CHANGES COMPARED TO THE CORRESPONDING PERIOD LAST YEAR

Based on the Group's preliminary assessment, if there is no significant decrease in the selling price of products during the third quarter of 2011 as compared with the first half of 2011, the increase in accumulated profit for the nine months ended 30 September 2011 (prepared in accordance with PRC GAAP) will exceed 50% as compared with the same period last year.

V. MANAGEMENT DISCUSSION AND ANALYSIS

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

(I) The Company's Principal Operations and Performance

1. Principal operations by industry and products

Unit:'000 Currency: RMB

By industry and by products	Operating revenue	Operating cost	Operating 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 operating profit margin over the same period last year *(%)*
By industry						
Copper cathodes	**34,946,581**	**32,772,370**	6.22	75.14	76.78	Decreased by 0.87 percentage point
Copper rods and wires	**13,136,119**	**12,035,649**	8.38	23.08	22.17	Increased by 0.69 percentage point

By industry and by products	Operating revenue	Operating cost	Operating 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 operating profit margin over the same period last year (%)
Copper processing products	**2,162,818**	**2,072,726**	4.17	34.11	35.68	Decreased by 1.11 percentage points
Precious metals (gold and silver)	**6,279,931**	**4,753,781**	24.30	78.81	75.68	Increased by 1.34 percentage points
Chemical products	**1,209,896**	**554,308**	54.19	43.05	-0.48	Increased by 20.05 percentage points
Rare metals	**404,438**	**302,892**	25.11	32.27	104.27	Decreased by 26.39 percentage points
Other non-ferrous metals	**798,316**	**784,073**	1.78	158.96	157.34	Increased by 0.62 percentage point
Other products	**263,700**	**89,526**	66.05	-11.13	-53.47	Increased by 30.90 percentage points
Sub-total	**59,201,799**	**53,365,325**	9.86	57.84	57.76	Increased by 0.05 percentage point
Other operations	**116,632**	**51,991**	55.42	83.38	79.61	Increased by 0.94 percentage point
Total	**59,318,431**	**53,417,316**	9.95	57.89	57.78	Increased by 0.06 percentage point

1) Copper cathodes

During the reporting period, operating revenue from copper cathodes increased by RMB14,993.61 million or 75.14% over the same period last year, mainly resulting from the increase in the selling price and sales volume of copper cathodes as compared with the same period last year. Operating costs of copper cathodes increased by RMB14,233.68 million or 76.78% as compared with the same period last year due to the increase in purchase prices of outsourced materials as well as sales volume. The operating profit of copper cathodes for the first half of the year increased by RMB759.93 million or 53.73% as compared with the same period last year while operating profit margin for the current period decreased from 7.09% for the same period last year to 6.22%.

2) Copper rods and wires

During the reporting period, operating revenue from copper rods and wires increased by RMB2,463.56 million or 23.08% over the same period last year, mainly due to the increase in selling price of copper rods and wires as compared with the same period last year. Operating costs of copper rods and wires increased by RMB2,183.98 million or 22.17% as compared with the same period last years, mainly due to the increase in purchase price of outsourced materials. Operating profit of copper rods and wires increased by RMB279.58 million or 34.06% as compared with the same period last year while operating profit margin for the current period increased from 7.69% for the same period last year to 8.38%.

3) *Copper processing products other than copper rods and wires*

During the reporting period, following the expansion in the Group's processing capacity and the increase in selling price of copper processing products, operating revenue of copper processing products other than copper rods and wires increased by RMB550.05 million or 34.11% as compared with the same period last year. Operating costs increased by RMB545.04 million or 35.68% as compared with the same period last year due to the increase in both the quantity and price of outsourced materials. Operating profit increased by RMB5.02 million or 5.90% as compared with the same period last year while operating profit margin for the current period decreased from 5.28% for the same period last year to 4.17%.

4) *Precious metals (gold and silver)*

During the reporting period, operating revenue of precious metals increased by RMB2,767.85 million or 78.81% as compared with the same period last year due to the increase in sales volume and selling price. Operating costs of precious metal increased by RMB2,047.91 million or 75.68% as compared with the same period last year due to the increase in the price of outsourced materials of precious metals. Operating profit of precious metals increased by RMB719.94 million or 89.30% as compared with the same period last year while operating profit margin for the current period increased from 22.96% for the same period last year to 24.30%.

5) *Chemical products (sulphuric acid, sulphuric concentrate, etc.)*

During the reporting period, operating revenue from chemical products increased by RMB364.13 million or 43.05%, mainly due to the increase in the selling price as compared with the same period last year. Operating costs of chemical products decreased by RMB2.69 million or 0.48%. Operating profit of chemical products increased by RMB366.82 million or 127.03% as compared with the same period last year while operating profit margin for the current period increased from 34.14% for the same period last year to 54.19%.

6) Rare metals

During the reporting period, the surge in prices of rare metals resulted in an increase of RMB98.68 million or 32.27% in its operating revenue as compared with the same period last year. Operating costs of rare metals increased by RMB154.61 million or 104.27%. Operating profit of rare metals saw a decline of RMB55.93 million or 35.52% as compared with the same period last year while operating profit margin for the current period decreased from 51.50% for the same period last year to 25.11%.

7) Other non-ferrous metals

During the reporting period, increase in sales volume and selling price of non-ferrous metals led to an increase of RMB490.04 million or 158.96% in the operating revenue of other non-ferrous metals over the same period last year. Operating cost of other non-ferrous metals increased by RMB479.38 million or 157.34% while operating profit of other non-ferrous metals increased by RMB10.66 million or 296.91% as compared with the same period last year. Operating profit margin for the current period increased from 1.16% for the same period last year to 1.78%.

8) Other products

During the reporting period, operating revenue of other products decreased by RMB33.01 million or 11.13% as compared with the same period last year; operating costs decreased by RMB102.89 million or 53.47%; operating profit increased by RMB69.88 million or 67% as compared with the same period last year; and operating profit margin for the current period increased from 35.15% for the same period last year to 66.05%.

(II) Principal operation by geographical areas

Unit: '000 Currency: RMB

Geographical areas	Operating revenue	Increase/ (decrease) in operating revenue over the same period last year *(%)*
Mainland China	**54,176,945**	55.48
Hong Kong	**4,216,450**	99.72
Others	**808,404**	232.11
Total	**59,201,799**	59.15

(III) Analysis on Financial Position during the Reporting Period

1. Financial Position

As at the end of the reporting period, the total assets of the Group amounted to RMB66,516.86 million, representing an increase of RMB11,672.08 million or 21.28% as compared with the beginning of the period, in which:

(1) the balance of cash and bank amounted to RMB16,720.26 million, representing an increase of RMB10,417.01 million or 165.26% as compared with the beginning of the period, primarily due to higher net profit and significant increase in bank borrowings;

(2) Held-for-trading financial assets increased by RMB294.08 million mainly due to increase in assets arising from the lease of gold measured at fair value;

(3) the balance of notes receivable amounted to RMB3,983.17 million, representing an increase of RMB1,169.46 million or 41.56% as compared with the beginning of the period, primarily due to the fact that the Group preferred to hold notes up to their expiry date in view of a higher discount rate of notes, as well as the increase in the proportion of settlement by notes by customers under a greater pressure on fund;

(4) the balance of available-for-sale financial assets (including current and non-current portions) amounted to RMB3,030.08 million, representing an increase of RMB1,800 million or 146.33% as compared with the beginning of the period, primarily due to the increase in investment in financial products of banks held by Jiangxi Copper Corporation Finance Company Limited ("Finance Company"), a subsidiary of the Group;

(5) the balance of interest receivables amounted to RMB68.10 million, representing an increase of RMB39.58 million or 138.78% as compared with the beginning of the period, primarily due to the notable increase in interest receivables arising from the increase in time deposits.

As at the end of the reporting period, the balance of the total liabilities of the Group amounted to RMB28,327.93 million, representing an increase of RMB8,020.56 million or 39.50% as compared with the beginning of the period, in which:

(1) the balance of short-term borrowings amounted to RMB10,964.83 million, representing an increase of RMB7,369.12 million or 204.94% as compared with the beginning of the period, primarily due to the increase in foreign currency borrowings;

(2) held-for-trading financial liabilities increased by RMB359.62 million, mainly due to the increase in financial liabilities arising from lease of gold measured at fair value.

(3) the balance of advances from customers amounted to RMB1,067.74 million, representing an increase of RMB594.83 million or 125.78% as compared with the beginning of the period, primarily due to the increase in production and sales volume, the surge of prices and the expansion of trading scale;

(4) the balance of employees benefits payable (including current and non-current portions) amounted to RMB632.63 million, representing an increase of RMB198.54 million or 45.74% as compared with the beginning of the period, primarily due to the increase in labour costs and unpaid provisions made for employee salaries;

(5) the balance of tax payable amounted to RMB1,217.48 million, representing an increase of RMB349.93 million or 40.34% as compared with the beginning of the period, primarily due to the significant increase in balance of value-added tax payable;

(6) the balance of interest payables amounted to RMB86.89 million, representing an increase of RMB49.50 million or 132.36% as compared with the beginning of the period, primarily due to the increase in provisions made for unpaid interest at the end of the reporting period arising from the increase in borrowings and the rise of interest rate;

(7) the balance of dividend payable amounted to RMB695.33 million, representing an increase of RMB695.33 million as compared with the beginning of the period, primarily due to that final cash dividend for year 2010 which has not been paid yet as at the end of the current period;

(8) the balance of other current liabilities amounted to RMB1,518.08 million, representing a decrease of RMB1,300.87 million or 46.15% as compared with the beginning of the period, primarily due to the decrease in fair value loss of RMB607.45 million and RMB534.45 million from commodity derivative contracts and provisional price arrangement, respectively, and a decrease of approximately RMB250 million from financial assets sold under repurchase agreement by Finance Company.

During the reporting period, the net profit of the Group attributable to owners of the Company amounted to RMB4,228.58 million, representing an increase of RMB2,104.37 million or 99.07% as compared with the same period last year, in which:

(1) the operating revenue amounted to RMB59,318.43 million, representing an increase of RMB21,747.94 million or 57.89% as compared with the same period last year. Please refer to the analysis in the sub-section headed "The Company's Principal Operations and Performance" under the section headed "Management Discussion and Analysis" for details.

(2) the operating costs amounted to RMB53,417.32 million, representing an increase of RMB19,562.07 million or 57.78% as compared with the same period last year, primarily due to the increase in sales volume as well as the market prices of raw materials during the first half of the year;

(3) Operating taxes and surcharges amounted to RMB256.18 million, representing an increase of RMB119.34 million or 87.21% as compared with the same period last year, primarily due to the increase in cities construction tax, education supplementary tax and resource tax as compared with the same period last year;

(4) general and administrative expenses amounted to RMB763.90 million, representing an increase of RMB295.71 million or 63.16% as compared with the same period last year, primarily due to the increase in employee benefits arising from the rise in labor costs;

(5) provision for impairment of assets amounted to RMB3.88 million, representing a decrease of RMB79.37 million or 95.34% as compared with the same period last year, primarily due to the increase in market price of products, leading to the decrease in loss of value of the inventories;

(6) gain from changes in fair value amounted to RMB334.30 million, representing an increase of RMB307.06 million or 1127.11% as compared with the same period last year, primarily due to reversal of unrealised losses from outstanding commodity derivative contracts which were not qualified for hedge accounting carried forward from the end of last year;

(7) investment income amounted to RMB275.10 million, representing an increase of RMB137 million or 99.20% as compared with the same period last year, primarily due to the increase in gains from settlement of commodity derivative contracts which are not qualified for hedge accounting and the increase in investment income arising from financial products of banks;

(8) non-operating income amounted to RMB20.54 million, representing a decrease of RMB57.90 million or 73.81% as compared with the same period last year, primarily due to the decrease in subsidy income of imported copper concentrates in the first half of the year;

(9) non-operating expenses amounted to RMB6.81 million, representing a decrease of RMB6.33 million or 48.17% as compared with the same period last year, primarily due to the decrease in losses on disposal of fixed assets in the first half of the year;

2. *Capital structure*

As at the end of the reporting period, the total assets of the Group increased to RMB66,516.86 million from RMB54,844.77 million as at the beginning of the period, the total liabilities increased to RMB28,327.93 million from RMB20,307.37 million as at the beginning of the period. Gearing ratio was 42.59%, representing an increase of 5.56 percentage points as compared with the beginning of the period. Capital-liabilities ratio (liabilities/ shareholders' equity) was 74.18%, representing an increase of 15.38 percentage points as compared with the beginning of the period.

3. *Cash flow*

(1) The net cash inflow from operating activities amounted to RMB3,952.25 million, representing an increase of RMB3,517.49 million as compared with the same period last year, mainly due to: (1) an increase of RMB2,116.41 million in net profit as compared with the same period last year; (2) inventories decreased by RMB2,396.43 million as compared with the beginning of the period, while inventories increased by RMB145.74 million during the same period last year as compared with the beginning of the period. As a result, net cash inflow arising from the decrease in inventories increased by RMB2,542.17 million as compared with same period last year; (3) an increase of RMB3,567.32 million in operating receivables as compared with the beginning of the period, offset by an increase of RMB3,266.48 million as compared with the same period last year, led to a decrease of RMB300.83 million in net operating cash inflow; (4) an increase of RMB461.54 million in operating payables as compared with the beginning of the period, offset by an increase of RMB905.93 million as compared with the same period last year, led to a decrease of RMB444.39 million in net operating cash inflow.

(2) The net cash outflow from investing activities amounted to RMB3,097.90 million, representing an increase of RMB2,211.15 million as compared with the same period last year, of which the cash inflow from investing activities increased by RMB16,236.68 million, mainly due to an increase of RMB16,190.15 million from settlement of financial products held by Finance Company during the current period; the cash outflow from the investing activities increased by RMB18,447.83 million, mainly due to an increase of RMB18,158.36 million in investment in financial products held by Finance Company during the current period.

(3) The net cash flow from financing activities amounted to RMB6,536.92 million, representing an increase of RMB5,756.79 million as compared with the same period last year, primarily due to an increase in foreign currency bank borrowings.

VI. SIGNIFICANT EVENTS

(I) Implementation of Profit Distribution Plan During the Reporting Period

The Company's profit distribution plan for 2010 was to distribute a cash dividend of RMB2 (inclusive of tax) for every ten shares to all shareholders. The profit distribution plan was approved at the annual general meeting of the Company held on 9 June 2011. On 28 July 2011 and 25 July 2011, the Company distributed a cash dividend of RMB0.2 (inclusive of tax) per share to the holders of H shares whose names appeared on the register of H shares of the Company on 9 June 2011 and to holders of A shares whose names appeared on the register of A shares of the Company on 21 July 2011, respectively.

(II) Interim Dividend

The articles of association of the Company specifies that the Company may distribute dividends in cash or stocks. The profit distribution policy of the Company shall be maintained with certain continuity and stability and in accordance with the relevant governing regulations as amended from time to time.

In the first half of 2011, the Company's dividend distribution plan is to distribute cash dividend of RMB2 (inclusive of tax) for every ten shares.

(III) Appointment and Termination of Appointment of the Auditors

During the reporting period, the Company did not change its auditors. The Company has appointed Ernst & Young Hua Ming Certified Public Accountants and Ernst & Young Certified Public Accountants as its domestic and overseas auditors respectively.

(IV) 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 2011 were considered and approved.

(V) Code on Corporate Governance Practices

The Company is committed to maintaining and establishing high level of corporate governance. The Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the reporting period.

(VI) Purchase, disposal and repurchase of the Company's listed securities

At any time during the six months ended 30 June 2011, 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 2011.

(VII) 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 requirements of the Model Code during the reporting period.

(VIII) Detailed results announcement

The interim report for 2011 containing all relevant information required by Appendix 16 to the Listing Rules will be despatched to shareholders and be published on the website of the Stock Exchange (http://www.hkex.com.hk) in due course.

VII. UNAUDITED INTERIM FINANCIAL INFORMATION PREPARED IN ACCORDANCE WITH IFRSs

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2011

		For the six months ended 30 June	
		2011	2010
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
REVENUE	3	**59,062,247**	37,433,645
Cost of sales		**(53,326,442)**	(33,808,858)
Gross profit		**5,735,805**	3,624,787
Other income and gains	4	**725,509**	246,651
Selling and distribution costs		**(194,012)**	(156,039)
Administrative expenses		**(815,787)**	(512,656)
Other expenses		**(9,947)**	(16,294)
Finance costs		**(310,879)**	(222,064)
Share of profits and losses of:			
A jointly-controlled entity		**4,046**	4,561
Associates		**27,196**	(8,907)
PROFIT BEFORE TAX		**5,161,931**	2,960,039
Income tax expense	5	**(813,597)**	(737,873)
PROFIT FOR THE PERIOD		**4,348,334**	2,222,166

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2011

		For the six months ended 30 June	
		2011	2010
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Attributable to:			
Owners of the Company		**4,313,216**	2,199,213
Non-controlling interests		**35,118**	22,953
		4,348,334	2,222,166
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
— Basic	7	**RMB 1.25**	RMB 0.73
— Diluted	7	**RMB 1.25**	RMB 0.67

Details of the dividends payable and proposed for the six months ended 30 June 2011 and 2010 are disclosed in note 6 to the financial statement.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
PROFIT FOR THE PERIOD	**4,348,334**	2,222,166
OTHER COMPREHENSIVE INCOME		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the period	**13,351**	5,795
Reclassification adjustments for losses included in revenue in the consolidated profit and loss statement	**103,214**	41,928
Income tax effect	**(21,217)**	(7,907)
	95,348	39,816
Exchange differences on translation of foreign operations	**(64,296)**	10,254
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**31,052**	50,070
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**4,379,386**	2,272,236
Attributable to:		
Owners of the Company	**4,344,268**	2,249,567
Non-controlling interests	**35,118**	22,669
	4,379,386	2,272,236

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Notes	**30 June 2011 (Unaudited)** ***RMB'000***	31 December 2010 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	8	**16,952,545**	16,703,570
Prepaid land lease payments		**329,634**	325,515
Intangible assets		**865,480**	874,757
Exploration and evaluation assets		**203,765**	203,233
Interest in a jointly-controlled entity		**28,942**	24,896
Interests in associates		**1,218,570**	943,470
Available-for-sale investments		**410,080**	710,080
Deferred tax assets	9	**137,370**	184,584
Total non-current assets		**20,146,386**	19,970,105
CURRENT ASSETS			
Inventories		**15,117,735**	18,269,953
Trade and bills receivables	10	**6,891,398**	5,169,177
Prepayments, deposits and other receivables		**3,737,410**	4,044,000
Loans to related parties		**908,473**	553,881
Available-for-sale investments		**2,620,000**	520,000
Equity investments at fair value through profit or loss		**3,424**	4,844
Held-for-trading financial assets		**295,503**	—
Derivative financial instruments	11	**76,265**	9,563
Pledged deposits		**5,465,766**	2,438,882
Cash and cash equivalents		**11,254,493**	3,864,368
Total current assets		**46,370,467**	34,874,668
Total assets		**66,516,853**	54,844,773

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AS AT 30 JUNE 2011

	Notes	**30 June 2011 (Unaudited)** *RMB'000*	31 December 2010 (Audited) *RMB'000*
CURRENT LIABILITIES			
Trade and bills payables	12	**4,588,613**	5,105,006
Other payables and accruals		**2,869,467**	1,909,424
Derivative financial instruments	11	**78,586**	1,220,580
Held-for-trading financial liabilities		**359,620**	—
Interest-bearing bank borrowings		**10,964,825**	3,595,708
Deposits from customers		**1,439,490**	1,348,365
Repurchase agreement		**—**	250,000
Dividend payable		**695,331**	—
Income tax payable		**690,115**	675,110
Total current liabilities		**21,686,047**	14,104,193
NET CURRENT ASSETS		**24,684,420**	20,770,475
TOTAL ASSETS LESS CURRENT LIABILITIES		**44,830,806**	40,740,580

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AS AT 30 JUNE 2011

	Notes	**30 June 2011 (Unaudited)** *RMB'000*	31 December 2010 (Audited) *RMB'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		**44,830,806**	40,740,580
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**863,128**	712,728
Bonds payable		**5,300,218**	5,178,185
Deferred revenue - government grants		**169,590**	176,744
Deferred tax liabilities	9	**10,451**	2,785
Provision for rehabilitation		**121,007**	117,725
Employee benefit liability		**162,750**	—
Other long term payables		**14,737**	15,007
Total non-current liabilities		**6,641,881**	6,203,174
Net assets		**38,188,925**	34,537,406
EQUITY			
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		**3,462,729**	3,462,729
Reserves		**33,619,673**	29,967,951
Proposed interim or final dividend	6	**692,546**	692,546
		37,774,948	34,123,226
Non-controlling interests		**413,977**	414,180
Total equity		**38,188,925**	34,537,406

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	Attributable to owners of the Company													
	Share capital	Share premium	Capital reserve	Other reserves	Statutory surplus reserve	Discretionary surplus reserve	Safety fund surplus reserve	Retained earnings	Exchange fluctuation reserve	Hedging reserve	Proposed interim or final dividends	Total	Non-controlling interests	Total equity
	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*
As at 1 January 2011 (audited)	3,462,729	12,647,502*	(934,681)*	(92,506)*	2,670,179*	6,099,320*	239,154*	9,576,695*	(135,745)*	(101,967)*	692,546	34,123,226	414,180	34,537,406
Total comprehensive income	–	–	–	–	–	–	–	4,313,216	(64,296)	95,348	–	4,344,268	35,118	4,379,386
Capital injection by a non-controlling interest	–	–	–	–	–	–	–	–	–	–	–	–	3,366	3,366
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	(30,534)	(30,534)
Distribution to non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	(8,153)	(8,153)
2010 final dividends declared	–	–	–	–	–	–	–	–	–	–	(692,546)	(692,546)	–	(692,546)
Proposed 2011 interim dividend								(692,546)			692,546			
Transfer	–	–	–	–	–	–	84,639	(84,639)	–	–	–	–	–	–
As at 30 June 2011 (unaudited)	3,462,729	12,647,502*	(934,681)*	(92,506)*	2,670,179*	6,099,320*	323,793*	13,112,726*	(200,041)*	(6,619)*	692,546	37,774,948	413,977	38,188,925

* These reserve accounts comprise the consolidated reserves of RMB33,619,673,000 (2010: RMB29,967,951,000) in the condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	Attributable to owners of the Company														
	Share capital	Equity component of bond with warrants	Share premium	Capital reserve	Other reserves	Statutory surplus reserve	Discretionary surplus reserve	Safety fund surplus reserve	Retained earnings	Exchange fluctuation reserve	Hedging reserve	Proposed final dividends	Total	Non-controlling interests	Total equity
	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*	*RMB'000*
As at 1 January 2010 (audited)	3,022,834	2,008,917	4,340,514	(934,681)	(92,506)	2,216,165	4,737,279	158,720	7,179,406	(88,377)	(36,668)	302,283	22,813,886	361,219	23,175,105
Total comprehensive income	–	–	–	–	–	–	–	–	2,199,213	10,538	39,816	–	2,249,567	22,669	2,272,236
Capital injection by a non-controlling interest	–	–	–	–	–	–	–	–	–	–	–	–	–	1,000	1,000
Distribution to non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	–	(5,772)	(5,772)
2009 final dividends declared	–	–	–	–	–	–	–	–	–	–	–	(302,283)	(302,283)	–	(302,283)
Transfer	–	–	–	–	–	–	–	75,003	(75,003)	–	–	–	–	–	–
As at 30 June 2010 (unaudited)	3,022,834	2,008,917	4,340,514	(934,681)	(92,506)	2,216,165	4,737,279	233,723	9,303,616	(77,839)	3,148	–	24,761,170	379,116	25,140,286

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**5,161,931**	2,960,039
Adjustments for:		
Finance costs	**242,713**	185,502
Foreign exchange gains, net	**(85,831)**	(3,504)
Share of profits and losses of a jointly-controlled entity and associates	**(31,242)**	4,346
Income from available-for-sale investments	**(72,885)**	(11,505)
Losses/(gains) on disposal of items of property, plant and equipment	**103**	5,699
Fair value (gains)/losses, net:		
Derivative financial instruments		
— transactions not qualifying as hedges and ineffective portion of cash flow and fair value hedges		
— Commodity derivative contracts	**(330,680)**	4,144
— Provisional price arrangement	**(4,706)**	(31,019)
— Forward currency contracts and interest rate swaps	**(290)**	—
Net fair value losses/(gains) on an equity investment at fair value through profit or loss	**1,336**	(799)
Provision for impairment of trade and other receivables	**4,548**	22,875

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
(Revesal)/provision for write-down of inventories to net realizable value	**(670)**	60,371
Depreciation of property, plant and equipment	**538,661**	454,960
Amortization of prepaid land lease payments	**3,209**	3,205
Amortization of intangible assets	**18,481**	18,363
Unwinding of an interest for rehabilitation provision	**3,282**	3,151
Deferred revenue released to the income statement	**(7,154)**	(7,969)
	5,440,806	3,667,859
Decrease in inventories	**3,152,888**	532,142
Increase in trade and other receivables	**(347,882)**	(2,573,949)
Increase in loans to related parties	**(655,942)**	(391,199)
Increase in pledged deposits except pledged deposits to secure bank borrowings and gold lease	**(2,528,321)**	(182,245)
Increase in trade and other payables	**570,963**	6,533
Increase in deposits from customers	**91,125**	580,746
(Decrease)/increase in repurchase agreement	**(250,000)**	103,885
Decrease in effective portion of fair value hedge		
— Provisional price arrangement	**(529,743)**	(607,771)
— Commodity derivative contracts	**(226,712)**	(70,113)
Cash generated from operations	**4,717,182**	1,065,888
Income tax paid	**(764,929)**	(631,128)
Net cash flows from operating activities	**3,952,253**	434,760

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Net cash flows generated from operating activities	**3,952,253**	434,760
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	**(1,043,424)**	(758,081)
Addition to exploration and evaluation assets	**(532)**	(10,830)
Addition to prepaid land lease payments	**(7,357)**	(1,844)
Addition to intangible assets	**(9,204)**	(300)
Proceeds from disposal of equity investment at fair value through profit or loss	**84**	2,530
Proceeds from disposal of available-for-sale investments	**16,522,200**	330,000
Proceeds from disposal of items of property, plant and equipment	**702**	9,921
Receipt of government grants	**—**	5,237
Income received from available-for-sale investments	**72,885**	11,505
Purchases of available-for-sale investments	**(18,322,200)**	(30,000)
Purchases of equity investments at fair value through profit or loss	**—**	(4,886)
Addition of capital contribution to associates	**(311,050)**	(440,000)
Net cash flows used in investing activities	**(3,097,896)**	(886,748)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital injection by non-controlling shareholders	**3,366**	1,000
Increase of pledged RMB time deposits to secure USD bank borrowings and gold lease	**(498,563)**	(585,813)
New bank borrowings	**12,300,043**	4,028,773
Repayment of bank borrowings	**(5,160,841)**	(2,634,715)
Interest paid	**(71,185)**	(26,794)
Acuisition of non-controlling interest	**(30,534)**	—
Dividends paid to non-controlling shareholders	**(5,368)**	(2,322)
Net cash flows from financing activities	**6,536,918**	780,129
NET INCREASE IN CASH AND CASH EQUIVALENTS	**7,391,275**	328,141
Cash and cash equivalents at 1 January	**3,864,368**	1,702,626
Effect of foreign exchange rate changes, net	**(1,150)**	(284)
CASH AND CASH EQUIVALENTS AT 30 JUNE	**11,254,493**	2,030,483

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2011

1. CORPORATE INFORMATION

Jiangxi Copper Company Limited (the "Company") was registered in the People's Republic of China (the "PRC") as a joint stock limited company. The registration number of the Company's business licence is Qi He Kan Zhong Zi 003556. The Company was established on 24 January 1997 by Jiangxi Copper Corporation ("JCC"), Hong Kong International Copper Industry (China) Investment Limited, Shenzhen Baoheng (Group) Company Limited, Jiangxi Xinxin Company Limited and Hubei Sanxin Gold & Copper Company Limited, and approved by Jiangxi Province's Administrative Bureau for Industry and Commerce. The Company's H Shares were listed on the Stock Exchange of Hong Kong Limited and London Stock Exchange on 12 June 1997 and the Company's A shares were listed on Shanghai Stock Exchange on 11 January 2002. As approved by the board of directors on 29 October 2009, the Company's H share was delisted from the LSE from 27 November 2009. The head office of the Company is located in 15 Yejin Avenue, Guixi, Jiangxi Province, PRC. The Company's holding company is JCC, and the ultimate controller is the State-owned Assets Supervision & Administration Commission ("SASAC") of People's Government of Jiangxi Province.

The Group is an integrated producer of copper in the PRC. Its operations consist of copper mining, milling, smelting and refining for the production of copper cathodes, copper rods and wires and other related products, including pyrite concentrates, sulphuric acid, and electrolytic gold and silver, and rare metals such as molybdenum, and trading of copper related products, etc.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2011 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" and applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

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

2.2 CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual financial statements for the year ended 31 December 2010, except for the adoption of new standards and interpretations effective for the period beginning on or after 1 January 2011, as set out below:

IFRS 1 Amendments	Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards — Limited Exception from Comparative IFRS 7 Disclosures for First-time Adopters*
IFRS 7 Amendments	Amendments to IFRS 7 *Financial Instruments: Disclosures — Transfers of Financial ASSETS*[4]
IAS 24 (Revised)	*Related Party Disclosure*
IAS 32 Amendment	Amendment to IAS 32 *Financial Instruments: Presentation — Classification of Rights Issues*
IFRIC 14 Amendments	Amendments to IFRIC 14 *Prepayments of a Minimum Funding Requirement*
IFRIC 19	*Extinguishing Financial Liabilities with Equity Instruments*

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES *(Continued)*

2.2 CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Continued)

Apart from the above, Improvements to IFRSs 2010 sets out amendments to a number of IFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to IFRS 3 and IAS 27 are effective for annual periods beginning on or after 1 July 2010, whereas the amendments to IFRS 1, IFRS 7, IAS 1, IAS 34 and IFRIC 13 are effective for annual periods beginning on or after 1 January 2011 although there are separate transitional provisions for each standard or interpretation.

Further information about those changes that are expected to significantly affect the Group is as follows:

IAS 24 (Revised) clarifies and simplifies the definition of related parties. It also provides for a partial exemption of related party disclosure to government-related entities for transactions with the same government or entities that are controlled, jointly controlled or significantly influenced by the same government. The Group adopted IAS 24 (Revised) from 1 January 2011 and the comparative related party disclosures have been amended accordingly.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. REVENUE AND SEGMENT INFORMATION

For management purpose, the Group has one reportable operating segment: production and sale of copper and other related products. Management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts; less sales tax, for the six months ended 30 June 2011 and 2010. All significant transactions within the Group have been eliminated.

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

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Sales of goods		
— copper cathodes	**34,760,386**	19,863,812
— copper rods	**13,066,130**	10,624,869
— copper processing products	**2,162,818**	1,612,765
— gold	**4,202,211**	2,604,629
— silver	**2,077,721**	907,450
— sulphuric and sulphuric concentrate	**1,209,896**	845,770
— rare metals	**404,438**	305,758
— other non-ferrous metals	**798,316**	308,277
— others	**308,531**	360,315
	59,062,247	37,433,645

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
— Mainland China	**54,037,394**	35,079,048
— Hong Kong, China	**4,216,450**	2,111,184
— Others	**808,403**	243,413
	59,062,247	37,433,645

The revenue information above is based on the location of the customers.

(b) Non-current assets

All of the non-current assets of the Group are located in Mainland China except for certain investments in Afghanistan, Peru and Japan of which the carrying amounts are not material. The non-current assets information is based on the location of assets and excludes financial instruments and deferred tax assets.

Information about a major customer

Revenue of approximately RMB8,012,982,000 (six months ended 30 June 2010: RMB1,180,334,000) was derived from sales of goods to a single customer, including sales to a group of entities which are known to be under common control with that customer. The State-Owned Entities are not identified as a group of customers under common control by the directors of the Company.

4. OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Fair value gains/(losses) net:		
Derivative financial instruments		
— commodity derivative contracts		
Transactions not qualifying as hedges*	**488,337**	115,440
— Unrealized gains/ (losses) of the outstanding contracts	**327,965**	(8,416)
— Realized gains from the settled contracts	**160,372**	123,856
Transactions qualifying as fair value hedges**	**7,638**	7,218
— Inventory hedged by commodity derivative contracts	**(33,649)**	(47,868)
— Fair value gains of commodity derivative contracts as hedging instrument	**41,287**	55,086
Ineffective portion of cash flow hedges**	**5,646**	3,709
Forward currency contracts and interest rate swaps	**290**	—
Equity investment at fair value through profit or loss	**(1,336)**	799
Income from VAT refund	**6,242**	7,094
Interest income	**45,673**	26,034
Subsidy income of imported copper concentrates	**—**	62,161
Income from available-for-sale investments	**72,885**	11,505
Deferred revenue released to income statement	**7,154**	7,969
Gain on disposal of items of property, plant and equipment	**255**	527
Foreign exchange gains/(losses), net	**85,831**	3,504
Others	**6,894**	691
	725,509	246,651

4. OTHER INCOME AND GAINS *(Continued)*

* This item related to fair value changes of commodity derivative contracts which are not designated as hedging instruments and/or not qualified for hedge accounting (note 11).

** This item related to fair value changes of commodity derivative contracts which are designated as hedging instruments (note 11). The net fair value changes of the commodity derivative contracts qualifying as fair value hedges and ineffective portion of cash flow hedges are as follows:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Transactions qualifying as fair value hedges:		
— Unrealized gains/(losses) of the outstanding contracts	**(721)**	2,462
— Realized gains from the settled contracts	**8,359**	4,756
	7,638	7,218
Ineffective portion of cash flow hedges:		
— Unrealized gains of the outstanding contracts	**3,436**	1,810
— Realized gains from the settled contracts	**2,210**	1,899
	5,646	3,709

5. INCOME TAX EXPENSE

The major components of income tax expense for the six months ended 30 June 2011 and 2010 are:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current income tax payable:		
PRC income tax	**769,169**	720,965
HK income tax	**10,764**	14,489
	779,933	735,454
Deferred income tax movement	**33,664**	2,419
Income tax charge for the period	**813,597**	737,873

Hong Kong profits tax on two of the Group's subsidiaries has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2011.

5. INCOME TAX EXPENSE *(Continued)*

The provision for PRC current income tax is based on a statutory rate of 25% (2010: 25%) of the assessable profits of the Group as determined in accordance with the relevant income tax rules and regulations of the PRC Corporate Income Tax Law, which came into effect on 1 January 2008, except for the following:

(i) According to the PRC Corporate Income Tax Law, high technology companies could be entitled to a lower PRC Corporate Income Tax rate of 15%. In January 2011, the Company obtained a High-Tech Enterprise Certificate jointly issued by Jiangxi Provincial Department of Science and Technology, Jiangxi Provincial Department of Finance, Jiangxi Provincial State Taxation Bureau and Jiangxi Provincial Local Taxation Bureau. Commencing from 2010, the Company is entitled to relevant preferential policies relating to High-Tech Enterprises for three consecutive years when qualified for certain criteria, with a corporate income tax rate of 15% (while the previous corporate income tax rate was 25%).

(ii) Certain subsidiaries in Mainland China enjoy preferential tax rates during a transitional period from 2008 to 2012.

6. DIVIDENDS

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Dividends on ordinary shares declared during the six-month period:		
Final dividend for 2010: RMB0.2 per share (2009: RMB0.1 per share)	**692,546**	302,283
Proposed (not recognized as a liability as at 30 June)		
Interim dividend for 2011: RMB0.2 per share (2010: nil)	**692,546**	—

On 17 June 2010, a dividend of RMB0.1 per share (tax inclusive) on 3,022,833,727 shares, in aggregate approximately RMB302,283,000 was declared to the shareholders as the final dividend for year 2009.

On 9 June 2011, a dividend of RMB0.2 per share (tax inclusive) on 3,462,729,405 shares, in aggregate approximately RMB692,546,000 was declared to the shareholders as the final dividend for year 2010.

The Board of Directors proposed an interim dividend of RMB0.2 per ordinary share (2010: nil). The proposed interim dividend for the period is subject to the approval at the special general meeting.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share amounts are based on:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
Profit attributable to ordinary equity holders of the Company *(RMB'000)*	**4,313,216**	2,199,213
Weighted average number of ordinary shares in issue	**3,462,729,405**	3,022,833,727
Effect of dilution — weighted average number of ordinary shares:		
Warrants attached to bonds	**—**	237,603,333
Diluted average number of ordinary shares in issue	**3,462,729,405**	3,260,437,060
— Basis	**RMB1.25**	RMB0.73
— Diluted	**RMB1.25**	RMB0.67

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, the Group acquired items of property, plant and equipment with a cost of RMB788,442,000 (six months ended 30 June 2010: RMB714,542,000). Depreciation for items of property, plant and equipment is RMB538,661,000 (six months ended 30 June 2010: RMB454,960,000) during the period.

Property, plant and equipment with a net book value of RMB806,000 (six months ended 30 June 2010: RMB15,620,000) was disposed of by the Group during the six months ended 30 June 2011, resulting in a net loss on disposal of RMB103,000 (a net loss in six months ended 30 June 2010: RMB5,699,000).

9. DEFERRED TAX

The components of deferred tax assets and liabilities are as follows:

	30 June 2011 (Unaudited) *RMB'000*	31 December 2010 (Audited) *RMB'000*
Deferred tax assets:		
Impairment of assets	**23,550**	23,057
Accrued expenses	**85,897**	57,440
Unrealized profits	**9,666**	18,288
Fair value loss from commodity derivative contracts	**191**	67,677
Fair value loss from forward currency contracts	**1,338**	1,093
Fair value loss from provisional price arrangement	**2,363**	3,332
Deductible taxable loss	**1,629**	3,890
Others	**12,736**	9,807
	137,370	184,584

9. DEFERRED TAX *(Continued)*

	30 June 2011 (Unaudited) *RMB'000*	31 December 2010 (Audited) *RMB'000*
Deferred tax liabilities:		
Fair value gain from commodity derivative contracts	**8,953**	1,057
Fair value gain from forward currency contracts	**1,338**	1,238
Others	**160**	490
	10,451	2,785

At 30 June 2011, there was no significant unrecognised deferred tax liability (31 December 2010: Nil) for taxes that would be payable on the unremitted earnings of the Group's subsidiaries, associates or jointly-controlled entity as the Group has no liability to additional tax should such amounts be remitted.

10. TRADE AND BILLS RECEIVABLES

	30 June 2011 (Unaudited)	31 December 2010 (Audited)
	RMB'000	*RMB'000*
Trade receivables	**3,078,515**	2,521,223
Bills receivable	**3,983,172**	2,813,712
	7,061,687	5,334,935
Less: Provision for impairment of trade receivables	**(170,289)**	(165,758)
	6,891,398	5,169,177

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally three months, extending up to one year for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's associates and related parties, which are repayable on similar credit terms to those offered to the major customers of the Group.

10. TRADE AND BILLS RECEIVABLES *(Continued)*

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date, is as follows:

	30 June 2011 (Unaudited) *RMB'000*	31 December 2010 (Audited) *RMB'000*
Within 1 year	**2,891,487**	2,349,180
1 to 2 years	**15,621**	3,683
2 to 3 years	**27,977**	38,448
Over 3 years	**143,430**	129,912
	3,078,515	2,521,223

The terms of bills receivable are all within six months. As at 30 June 2011, the bills receivable are neither past due nor impaired.

11. DERIVATIVE FINANCIAL INSTRUMENTS

Assets/(liabilities)	**30 June 2011 (Unaudited)** ***RMB'000***	31 December 2010 (Audited) *RMB'000*
Commodity derivative contracts	**60,354**	(613,603)
— Assets	**70,913**	4,405
— Liabilities	**(10,559)**	(618,008)
Forward currency contracts and interest rate swaps	**(22,943)**	(23,233)
— Assets	**5,352**	5,158
— Liabilities	**(28,295)**	(28,391)
Provisional price arrangement	**(39,732)**	(574,181)
	(2,321)	(1,211,017)
Including:		
Under hedge accounting		
Cash flow hedge		
— Commodity derivative contracts	**(8,633)**	(128,633)
Fair value hedge		
— Commodity derivative contracts	**(1,759)**	(227,751)
— Provisional price arrangement	**(24,059)**	(554,711)
Not under hedge accounting		
— Commodity derivative contracts	**70,746**	(257,219)
— Provisional price arrangement	**(15,673)**	(19,470)
— Forward currency contracts and interest rate swaps	**(22,943)**	(23,233)
	(2,321)	(1,211,017)

The Group uses commodity derivative contracts and provisional price arrangement to hedge its commodity price risk. Commodity derivative contracts utilised by the Group are mainly standardised copper cathode future contracts in SHFE and LME.

11. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

The fair value of the commodity derivative contracts represents the difference between the quoted market price of copper forward contract at period end and the quoted price at inception of the contract. The fair value of the provisional price arrangements are estimated by reference to the quoted market price at period end of copper forward contract with similar maturity as the provisional price contract compared to the quoted market price of copper forward contracts on the date of delivery of the purchased material.

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 2011, the expected delivery period of the forecasted sales for copper related products is from July to October 2011.

— Fair value hedge

The Group utilizes 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.

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.

Accordingly, for the six months ended 30 June 2011, a net gain of RMB13,351,000 (for the six months ended 30 June 2010: a net gain of RMB5,795,000) for effectiveness portion under cash flow hedge was included in the hedging reserve, and a net gain of RMB5,646,000 (for the six months ended 30 June 2010: a net gain of RMB3,709,000) for ineffectiveness portion was included in income statement. Further details are given in other comprehensive income and note 4, respectively.

11. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

For the six months ended 30 June 2011, the fair value gains of commodity forward contracts designated as fair value hedges of the Group are RMB41,287,000 (for the six months ended 30 June 2010: fair value gain of RMB55,086,000). The net fair value losses of the hedged item, inventories, attributable to the risk hedged is RMB33,649,000 (for the six months ended 30 June 2010: fair value losses of RMB47,868,000) in aggregate. Further details are given in note 4.

Not under hedge accounting

In the six months ended 30 June 2011 and twelve months ended 31 December 2010, the Group utilizes commodity derivative contracts to manage the commodity price risk of forecasted purchases of copper cathode as well as copper concentrate, and forecast sales of copper wires and rods. These arrangements are designed to address significant fluctuations in the price of copper concentrate, copper cathodes, copper wires and rods, and copper related products which move in line with the prevailing price of copper cathodes. However, these arrangements are not considered as an effective hedge and hence do not qualify for hedge accounting. Further details are given in note 4.

12. TRADE AND BILLS PAYABLES

	30 June 2011 (Unaudited) *RMB'000*	31 December 2010 (Audited) *RMB'000*
Trade payables	**2,920,536**	2,857,078
Bills payable	**1,668,077**	2,247,928
	4,588,613	5,105,006

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

	30 June 2011 (Unaudited) *RMB'000*	31 December 2010 (Audited) *RMB'000*
Within 1 year	**2,866,427**	2,802,072
1 to 2 years	**4,288**	6,158
2 to 3 years	**18,152**	17,644
Over 3 years	**31,669**	31,204
	2,920,536	2,857,078

The trade payables are non-interest-bearing and are normally settled on terms of 60 days.

The directors consider that the carrying amounts of trade and bills payables approximate to their fair values.

13. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The interim financial information was approved and authorised for issue by the board of directors on 25 August 2011.

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Li Yihuang
Chairman

25 August 2011, Jiangxi, the People's Republic of China

As at the date of this announcement, the executive directors of the Company are Mr. Li Yihuang, Mr. Li Baomin, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Gan Chengjiu, Mr. Hu Qingwen and Mr. Shi Jialiang; and the independent non-executive directors of the Company are Mr. Wu Jianchang, Mr. Tu Shutian, Ms. Zhang Rui and Mr. Gao Dezhu.