Dalian Port (PDA) Company Limited*
大連港股份有限公司

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

(Stock Code: 2880)

ANNOUNCEMENT OF ANNUAL RESULTS FOR 2013

The Board of Directors (the "**Board**") of Dalian Port (PDA) Company Limited (the "**Company**") is pleased to announce the audited financial results of the Company and its subsidiaries (the Company and its subsidiary, collectively, the "**Group**") for the year ended 31 December 2013 prepared pursuant to China Accounting Standards for Business Enterprises. The Group's financial results for the year have been audited by Ernst & Young Hua Ming (LLP).

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2013
(Expressed in Renminbi Yuan)

ASSETS	2013	2012
Current assets		
Cash and bank balances	2,339,398,061.70	2,507,326,672.09
Financial assets at fair value through profit or loss	12,412,829.99	-
Notes receivable	60,056,586.58	63,069,669.70
Dividends receivable	6,337,135.91	4,351,296.43
Interest receivable	16,308,120.60	4,065,075.97
Accounts receivable	502,348,024.46	473,175,991.01
Other receivables	475,665,762.06	295,204,982.42
Prepayments	67,102,980.29	224,396,334.74
Inventories	414,139,590.18	131,119,867.55
Non-current assets due within one year	-	1,005,610,000.00
Other current assets	1,091,825,294.05	4,870,000.00
Total current assets	4,985,594,385.82	4,713,189,889.91
Non-current assets		
Available-for-sale financial assets	174,907,551.61	148,102,556.14
Long-term equity investments	3,892,666,681.01	3,703,846,472.05
Investment properties	697,137,339.31	699,831,842.42
Fixed assets	14,055,550,428.58	12,773,054,294.56

	2013	2012
Fixed assets pending for disposal	888,514.14	36,058,083.28
Construction in progress	2,547,712,504.06	4,689,753,318.12
Intangible assets	748,697,778.95	867,417,088.66
Goodwill	16,035,288.74	77,735,288.74
Long-term prepaid expenses	22,627,890.05	21,514,511.03
Deferred tax assets	60,483,766.67	60,732,174.17
Other non-current assets	23,806,956.08	37,544,912.58
Total non-current assets	22,240,514,699.20	23,115,590,541.75
TOTAL ASSETS	27,226,109,085.02	27,828,780,431.66

LIABILITIES AND OWNERS' EQUITY	2013	2012
Current liabilities		
Short-term borrowings	394,592,844.90	1,278,033,101.12
Notes payable	31,680,000.00	16,730,000.00
Accounts payable	215,262,053.67	177,028,677.66
Advances from customers	297,003,288.14	92,795,891.74
Employee benefits payable	153,090,035.08	117,292,923.23
Taxes payable	65,815,804.00	73,953,249.60
Interest payable	188,015,798.98	194,319,909.95
Dividends payable	85,947,458.51	83,181,864.80
Other payables	844,444,268.52	853,633,931.38
Bonds payable	-	160,000,000.00
Non-current liabilities due within one year	3,208,791,625.50	545,000,000.00
Total current liabilities	5,484,643,177.30	3,591,969,549.48
Non-current liabilities		
Long-term borrowings	1,393,401,245.21	1,708,360,253.42
Bonds payable	4,963,843,320.56	7,844,512,916.99
Long-term payables	12,666,979.84	130,350.00
Deferred tax liabilities	12,451,436.00	75,717,224.83
Other non-current liabilities	697,817,896.11	633,098,324.44
Total non-current liabilities	7,080,180,877.72	10,261,819,069.68
Total liabilities	12,564,824,055.02	13,853,788,619.16
Owners' equity		
Share capital	4,426,000,000.00	4,426,000,000.00
Capital surplus	6,116,197,381.13	6,099,510,224.00
Surplus reserve	533,416,415.28	470,205,888.20
Special reserve	9,528,835.46	2,653,944.19
Retained earnings	2,352,129,307.90	1,956,734,209.34
Exchange differences on foreign currency translation	7,472,254.84	9,457,655.26
Equity attributable to owners of the parent	13,444,744,194.61	12,964,561,920.99
Non-controlling interests	1,216,540,835.39	1,010,429,891.51
Total owners' equity	14,661,285,030.00	13,974,991,812.50
TOTAL LIABILITIES AND OWNERS' EQUITY	27,226,109,085.02	27,828,780,431.66

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2013

(Expressed in Renminbi Yuan)

	2013	2012
Revenue	6,981,980,217.92	4,644,558,994.83
Less: Cost of sales	5,394,402,786.13	3,056,689,429.56
Business tax and surcharges	140,271,071.12	190,580,607.81
Sales expenses	347,363.56	79,250.00
General and administrative expenses	558,363,509.67	491,396,037.19
Financial expenses	401,762,646.10	377,311,719.61
Impairment losses	344,918.29	1,169,487.21
Losses on changes in fair values	6,621,030.01	-
Add: Investment income	189,052,696.34	170,873,749.71
Including: Share of profits and losses of associates and jointly-controlled entities	102,513,424.53	74,140,007.96
Operating profit	668,919,589.38	698,206,213.16
Add: Non-operating income	369,276,391.87	218,272,779.68
Less: Non-operating expenses	12,307,021.12	9,997,363.18
Including: Losses on disposal of non-current assets	10,299,842.98	8,316,946.61
Total profit	1,025,888,960.13	906,481,629.66
Less: Income tax expenses	243,915,328.93	221,718,576.73
Net profit	781,973,631.20	684,763,052.93
Profit attributable to:		
Owners of the parent	682,582,626.15	600,089,816.53
Non-controlling interests	99,391,005.05	84,673,236.40
Earnings per share		
Basic and diluted earnings per share	0.15	0.14

	2013	2012
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Fair value changes in available-for-sale financial assets	12,414,187.92	1,424,630.95
Exchange differences on foreign currency translation	(1,985,400.42)	(1,469,001.62)
Other comprehensive income, net of tax	10,428,787.50	(44,370.67)
Total comprehensive income	792,402,418.70	684,718,682.26
Attributable to:		
Owners of the parent	693,011,413.65	600,045,445.86
Non-controlling interests	99,391,005.05	84,673,236.40

NOTES TO FINANCIAL STATEMENTS

31 DECEMBER 2013

(Expressed in Renminbi Yuan)

1. GENERAL INFORMATION

Dalian Port (PDA) Company Limited (the “Company”) was established in Liaoning Province, the People’s Republic of China (the “PRC”) as a joint stock limited company by Dalian Port Corporation Limited (“PDA”), Dalian Rongda Investment Company Limited, Dalian Haitai Holdings Company Limited, Dalian Detai Holdings Company Limited and Dalian Bonded Zhengtong Company Limited with the approval by Da Zheng [2005] No.153 issued by the People’s Government of Dalian City, Liaoning Province. Pursuant to the approval of the Administration for Industry and Commerce of Dalian City, Liaoning Province, the Company was registered with the business licence number of 210200400039287. The operating period is 70 years. The H shares and A shares which are ordinary shares and issued by the Company have been listed and traded on the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange since 28 April 2006 and 6 December 2010, respectively. The Company’s registered office and headquarter are located at Xingang Commercial Building, Dalian International Logistics Park Zone, Liaoning Province. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in the provision of oil/liquefied chemical terminal and the related logistics services, container terminal and the related logistics services, automobile terminal and the related logistics and trading services, ore terminal and the related logistics services, general cargo terminal and the related logistics and trading services, bulk grain terminal and the related logistics and trading services, passenger and roll-on/roll-off terminal and the related logistics services, and port value-added services and ancillary port operations, which belongs to the transportation industry.

As at 31 December 2013, the Company has issued 4,426,000,000 shares in total.

The pricipal activities of the Company include the provision of terminal business and logistics services such as international and domestic cargo loading and discharging, transportation, transhipment, storage and etc.; tallying, piloting and tugging services for vessels sailing on international and domestic lines; port logistics and port information technology consultation services; petroleum storage (restricted to those applying for free trade zone qualification and those at port storage facilities); refined oil products storage (restricted to those applying for free trade zone qualification and those at port storage facilities); import and export of goods and technology (excluding articles prohibited by relevant laws and regulations; import and export of articles restricted by laws and regulations may only conduct with the grant of license) (with capital contribution from foreign party of no more than 25%).

The Company’s parent and ultimate holding company is PDA.

The financial statements were approved and authorised for issue by the board of directors on 27 March 2014. According to the Company’s articles of association, the financial statements will be submitted to the extraordinary general meeting for approval.

2. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

Basis of preparation

The financial statements have been prepared in accordance with Accounting Standards for Business Enterprises - *Basic Standard and specific standards* after Accounting Standards for Business Enterprises promulgated and its revision issued in February 2006, and implementation guidance, interpretations and other relevant provisions issued subsequently by the Ministry of Finance (the “MOF”) (collectively referred to as “Accounting Standards for Business Enterprises”).

The financial statements are presented on a going concern basis.

Except for certain financial instruments, the financial statements have been prepared under the historical cost convention. If the assets are impaired, the corresponding provisions for impairment shall be provided according to the relevant provisions.

3. CONSOLIDATION SCOPE OF THE CONSOLIDATED FINANCIAL STATEMENTS

3.1 Changes in consolidation scope

Except for the newly established subsidiaries, entities newly included and not included in the consolidation scope in the current year，business combination not under common control in the current year, and Company ceased to be a subsidiary due to the disposal of shares resulting in loss of control, the consolidation scope of the consolidated financial statements remains the same as last year.

3.2 Entities newly included and not included in the consolidation scope in the current year

The subsidiary disposed of by the Group during the year is as follows:

	Net assets at the end of the year	Net profit from the acquisition date to 31 December 2013
Dalian Shunda Logistics Co., Ltd.	24,041,486.82	1,016,913.41

The subsidiaries not included in the consolidation scope during the year are as follows:

	Net assets at the disposal date	Net profit from 1 January 2013 to the disposal date
Fujian Ninglian Port Co., Ltd. (Note)	20,000,000.00	-
Dalian Port Petroleum & Chemical Co., Ltd.	535,100,000.00	-

Note: The Group lost control on Fujian Ninglian Port Co., Ltd. in the current year as a result of an unilateral capital contribution from the minority shareholder.

4. ACCOUNTS RECEIVABLE

The credit terms of accounts receivable are usually 90 days. Accounts receivable are interest-free.

An ageing analysis of accounts receivable are as follows:

	2013	2012
Within 1 year	440,851,028.18	425,351,291.01
1 to 2 years	49,990,884.82	35,721,475.05
2 to 3 years	5,698,577.64	8,414,281.22
Over 3 years	10,798,727.77	7,715,850.68
	507,339,218.41	477,202,897.96
Less: Provision for bad debts	(4,991,193.95)	(4,026,906.95)
	502,348,024.46	473,175,991.01

Movements in the provision for bad debts are as follows:

	2013	2012
Opening balance	4,026,906.95	2,852,921.74
Accrual	1,525,712.16	1,173,985.21
Reversal	(561,425.16)	-
Closing balance	4,991,193.95	4,026,906.95

	2013				2012			
	Ending balance		Bad debt provision		Ending balance		Bad debt provision	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Individually significant and subject to separate provision	296,161,538.88	58.38	-	-	278,912,667.15	58.45	-	-
Not individually significant but subject to separate provision	211,177,679.53	41.62	4,991,193.95	2.36	198,290,230.81	41.55	4,026,906.95	2.03
	507,339,218.41	100.00	4,991,193.95		477,202,897.96	100.00	4,026,906.95	

5. OTHER RECEIVABLES

An ageing analysis of other receivables is as follows:

	2013	2012
Within 1 year	456,171,792.27	263,230,087.44
1 to 2 years	9,768,729.75	8,972,948.86
2 to 3 years	6,027,581.69	2,054,477.87
Over 3 years	4,758,851.32	22,480,773.22
	476,726,955.03	296,738,287.39
Less: Provision for bad debts	(1,061,192.97)	(1,533,304.97)
	475,665,762.06	295,204,982.42

Movements in the provision for bad debts are as follows:

	2013	2012
Opening balance	1,533,304.97	1,605,414.57
Accrual	-	5,502.00
Reversal	(472,112.00)	-
Write-off	-	(77,611.60)
Closing balance	1,061,192.97	1,533,304.97

	2013				2012			
	Ending balance		Bad debt provision		Ending balance		Bad debt provision	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Individually significant and subject to separate provision	358,576,632.68	75.22	-	-	219,156,925.90	73.86	-	-
Not individually significant but subject to separate provision	118,150,322.35	24.78	1,061,192.97	0.90	77,581,361.49	26.14	1,533,304.97	1.98
	476,726,955.03	100.00	1,061,192.97		296,738,287.39	100.00	1,533,304.97	

6. INVENTORIES

	2013			2012		
	Ending balance	Provision	Carrying amount	Ending balance	Provision	Carrying amount
Raw materials	93,506,680.70	2,037,642.99	91,469,037.71	71,024,114.78	2,037,642.99	68,986,471.79
Work in progress	555,128.22	-	555,128.22	-	-	-
Finished goods	321,580,376.54	-	321,580,376.54	58,048,387.64	-	58,048,387.64
Land						

development costs	535,047.71	-	535,047.71	4,085,008.12	-	4,085,008.12
	416,177,233.17	2,037,642.99	414,139,590.18	133,157,510.54	2,037,642.99	131,119,867.55

	Opening and closing balance
Provision for inventories	2,037,642.99

As at 31 December 2013, inventories with a carrying amount of RMB246,722,313.39 (31 December 2012: RMB20,537,425.32) were restricted as to use.

7. ACCOUNTS PAYABLE

Accounts payable are interest-free and the terms are usually 90 days.

An ageing analysis of accounts payable is as follows:

	2013	2012
Within 1 year	209,697,640.96	164,469,205.32
1 to 2 years	4,859,013.19	11,232,104.82
2 to 3 years	317,445.00	1,056,977.00
Above 3 years	387,954.52	270,390.52
	215,262,053.67	177,028,677.66

As at 31 December 2013, there is no account payable due to any shareholder holding more than 5% (including 5%) of the Company's voting shares (31 December 2012: Nil).

As at 31 December 2013, the Group has no significant accounts payable with ageing above one year (31 December 2012: Nil).

8. REVENUE AND COST OF SALES

Revenue, which is also the Group's turnover, represents the value of services rendered after trade discounts; the gross rental income received and receivable from investment properties during the year.

Revenue is as follows:

	2013	2012
Revenue from the principal operations	6,531,282,679.60	4,289,169,933.24
Revenue from other operations	450,697,538.32	355,389,061.59
	6,981,980,217.92	4,644,558,994.83

Cost of sales is as follows:

	2013	2012
Cost of the principal operations	5,078,016,138.02	2,750,785,664.88
Cost of other operations	316,386,648.11	305,903,764.68
	5,394,402,786.13	3,056,689,429.56

Revenue by segment is as follows:

	2013		2012	
	Revenue	Cost of sales	Revenue	Cost of sales
Oil/liquefied chemicals terminal and logistics services	1,106,303,244.86	567,238,372.15	997,182,728.75	532,417,100.35
Container terminal and logistics services	1,310,854,527.58	965,897,977.96	1,102,164,370.80	761,456,028.82
Passenger and roll-on, roll-off terminal and logistics services	131,045,100.66	93,727,340.57	131,596,278.98	83,476,685.82
Automobile terminal and logistics and trading services	743,873,692.76	718,037,398.09	30,104,988.63	18,410,902.15
Ore terminal and logistics services	295,685,178.43	183,763,197.07	294,272,735.55	189,502,478.23
Bulk grains terminal and logistics and trading services	1,890,389,292.21	1,706,340,625.66	723,526,990.34	536,515,874.54
General cargo terminal and logistics and trading services	423,953,353.23	429,272,038.60	335,990,523.40	297,335,295.48
Port value-added services and ancillary port operations	966,774,701.13	669,632,790.03	890,756,178.33	585,263,835.34
Unallocated	113,101,127.06	60,493,046.00	138,964,200.05	52,311,228.83
	6,981,980,217.92	5,394,402,786.13	4,644,558,994.83	3,056,689,429.56

Revenue is analysed as follows:

	2013	2012
Loading services	1,876,641,202.48	1,773,464,794.99
Logistics services	606,783,597.85	655,590,132.62
Storage services	601,588,371.47	512,650,804.21
Port management services	202,647,685.17	190,502,299.59
Leasing services	401,885,459.60	312,304,250.96
Agency services	221,335,078.20	58,764,896.54
Tallying services	60,206,752.11	60,932,463.95
Electric supply services	131,101,191.05	96,525,759.10
Project construction and inspection services	154,975,775.49	139,680,990.42
Information services	73,802,977.15	63,164,871.71
Commodity trading	2,329,856,575.38	380,738,935.73
Sales of goods	72,749,278.95	159,968,560.67
Others	248,406,273.02	240,270,234.34
	6,981,980,217.92	4,644,558,994.83

9. BUSINESS TAX AND SURCHARGES

	2013	2012
Business tax	108,647,298.54	155,558,419.18
City maintenance and construction tax and education surcharge	18,527,408.81	19,061,602.20
Land appreciation tax	13,096,363.77	15,960,586.43
	140,271,071.12	190,580,607.81

10. NON-OPERATING INCOME

	2013	2012
Gain on disposal of non-current assets	100,369,519.77	302,042.98
Including: Gain on disposal of fixed assets	100,369,519.77	302,042.98
Government grants	253,674,520.33	214,281,851.67
Negative goodwill from an acquisition	250,000.00	-

Penalty	8,554,750.00	-
Others	6,427,601.77	3,688,885.03
	369,276,391.87	218,272,779.68

Government grants credited to the income statement during the year are as follows:

	2013	2012	Related to assets/ income
Financial subsidy (Note1)	200,397,000.00	175,902,700.00	Related to income
Relocation compensation	34,505,184.05	34,505,184.05	Related to assets
Construction of vessels	791,217.60	791,217.60	Related to assets
Equipment reconstruction	249,297.68	165,964.68	Related to assets
Operation subsidy (Note2)	5,756,000.00	-	Related to income
Refund of taxes	691,050.00	1,608,299.13	Related to income
Others	11,284,771.00	1,308,486.21	Related to income
	253,674,520.33	214,281,851.67	

Note1: Pursuant to《大连市人民政府关于促进大连港口集装箱业务加快发展的意见》(Da Zheng Fa [2011] No. 61) issued by the Government of Dalian City in August 2011, 《关于促进大连港口集装箱加快发展补贴资金发放的实施细则的通知》(Da Gang Kou Fa [2011] No.147) issued by the Port of Dalian Authority and Dalian Municipal Bureau of Finance in September 2011,《关于下达2011年鼓励和发展集装箱补助资金的通知》(Da Cai Zhi Qi[2012] No.1013) and《关于市港口局拟调整集装箱补贴政策的处理意见》(Da Cai Zhi Qi[2012] No.962) issued by the Dalian Municipal Bureau of Financein 2012, the Group recognised income relating to the government grants of RMB200,397,000.00 (31 December 2012: RMB175,902,700.00). The above government grants of RMB59,498,700.00 were received in 2013, and the remaining amount is expected to be received in 2014.

Note2: The amount was received in respect of the operation subsidy of a subsidiary. The amount will be recognised in the income statement during the operation period of this subsidiary.

11. INCOME TAX EXPENSES

	2013	2012
Current income tax expenses	247,213,418.76	225,357,720.58
Deferred income tax expenses	(3,298,089.83)	(3,639,143.85)
	243,915,328.93	221,718,576.73

The relationship between income tax expenses and the total profit is as follows:

	2013	2012
Total profit	1,025,888,960.13	906,481,629.66
Income tax expenses at the statutory rate (Note)	256,472,240.03	226,620,407.42
Effect of different tax rates applicable to subsidiaries in Mainland China	(3,029,788.49)	(1,318,953.97)
Effect of different tax rates applicable to subsidiaries outside Mainland China	3,981,170.67	4,531,108.76
Adjustments in respect of current income tax of previous years	(1,440,280.52)	(126,048.42)

Income not subject to tax	(8,702,730.94)	(8,936,670.49)
Investment income	(25,798,093.87)	(18,912,859.34)
Expenses not deductible for tax	9,773,204.65	6,091,829.29
Tax losses utilised from previous periods	(686,197.04)	(643,700.35)
Tax losses not recognised	13,345,804.44	14,413,463.83
Tax charged at the Group's effective income tax rate	243,915,328.93	221,718,576.73

Note: The income tax of the Group is calculated based on the estimated taxable profit from Mainland China and the applicable tax rate. Taxes arise from the taxable income in other regions and practices of the countries in which the Group operates.

12. BASIC EARNINGS PER SHARE ("EPS")

The basic EPS is calculated by dividing the net profit for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue.

The calculation of the basic EPS is as follows:

	2013	2012
Earnings		
Net profit of the year attributable to ordinary shareholders of the Company	682,582,626.15	600,089,816.53
Shares		
Weighted average number of ordinary shares in issue	4,426,000,000.00	4,426,000,000.00

13. EVENTS AFTER THE BALANCE SHEET DATE

Dividend distributed to shareholders

Pursuant to the resolution in the second session of the board meeting in 2014 held on 27 March 2014, the Company proposed to pay a cash dividend to shareholders of RMB265,560,000.00, which is calculated based on the issued ordinary shares, in aggregate of 4,426,000,000 shares, and RMB0.6 per 10 shares (inclusive of applicable tax). The resolution will be submitted to the coming annual general meeting for approval.

14. SEGMENT INFORMATION

Operating segments

For management purposes, the Group is organised into business units based on their products and services and has eight reportable segments as follows:

(1) Oil/liquefied chemicals terminal and logistics services	Loading and discharging, storage and transhipment of oil products and liquefied chemicals and port management services
(2) Container terminal and logistics services	Loading and discharging, storage and transhipment of containers, leasing of terminals and related facilities and various container logistics services and sale of properties
(3) Passenger and roll-on, roll-off terminal and logistics services	Passenger transportation and general cargo roll-on and roll-off provision of related logistics services

(4) Automobile terminal and logistics and trading services — Loading and discharging of automobile and related logistics services, qutomobile trading operation

(5) Ore terminal and logistics services — Loading and unloading of ore and provision of related logistics services

(6) Bulk grains terminal and logistics and trading services — Loading and unloading of grains and provision of related logistics services, buld grain trading operation

(7) General cargo terminal and logistics and trading services — Loading and unloading of general cargo and provision of related logistics services, steel trading operation

(8) Port value-added services and ancillary port operations — Tallying, tugging, transportation, power supply, information technology and construction services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment.

Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted total profit. The adjusted total profit is measured consistently with the Group's total profit except for certain revenue and expenses attributable to headquarters. Segment assets and liabilities exclude certain assets and liabilities attributable to headquarters as these assets and liabilities are managed by the Group.

The above reporting segments are the basis on which the Group reports its segment information and no operating segments have been aggregated to form the above reportable segments.

Intersegment revenue is eliminated on consolidation. Intersegment sales and transactions are conducted in accordance with the terms mutually agreed between the parties.

2013

	Oil/liquefied chemicals terminal and logistics services RMB'000	Container terminal and logistics services RMB'000	Passenger and roll-on, roll-off terminal and logistics services RMB'000	Automobile terminal and logistics and trading services RMB'000	Ore terminal and logistics services RMB'000	Bulk grains terminal and logistics and trading services RMB'000	General cargo terminal and logistics and trading services RMB'000	Port value-added services and ancillary port operations RMB'000	Unallocated RMB'000	Total RMB'000
Revenue	1,106,303	1,310,855	131,045	743,874	295,685	1,890,389	423,953	966,775	113,101	6,981,980
Less: Cost of sales and services	567,238	965,898	93,727	718,038	183,763	1,706,341	429,272	669,633	60,493	5,394,403
Gross profit	539,065	344,957	37,318	25,836	111,922	184,048	(5,319)	297,142	52,608	1,587,577
Less: Tax and surcharges	31,606	53,475	3,669	1,747	6,436	9,753	7,851	22,175	3,559	140,271
Sales expenses	-	-	-	268	-	79	-	-	-	347
Administrative expenses	47,046	130,391	27,026	7,130	32,567	33,974	33,805	141,330	105,094	558,363
Financial expenses	24,862	5,005	2,435	(2,912)	(349)	16,633	(1,391)	(1,388)	358,868	401,763
Impairment losses	-	836	-	-	-	-	(10)	(481)	-	345
Losses on fair value changes	-	-	-	-	-	-	-	6,621	-	6,621
Add: Investment income	52,711	9,715	3,405	10,079	8	-	(11,468)	37,871	86,732	189,053
Operating profit	488,262	164,965	7,593	29,682	73,276	123,609	(57,042)	166,756	(328,181)	668,920
Add: Non-operating income	36,050	198,393	248	21	-	11,135	19,840	5,803	97,786	369,276
Less: Non-operating expenses	1,923	6,004	63	1	7	300	509	799	2,701	12,307
Total profit	522,389	357,354	7,778	29,702	73,269	134,444	(37,711)	171,760	(233,096)	1,025,889
Less: Income tax expenses	124,461	78,497	2,447	3,943	18,315	33,574	(4,087)	27,106	(40,341)	243,915
Net profit	397,928	278,857	5,331	25,759	54,954	100,870	(33,624)	144,654	(192,755)	781,974
Total assets	6,443,285	6,100,572	1,189,979	1,796,925	2,563,844	1,586,579	2,575,809	2,421,901	2,547,215	27,226,109

Total liabilities	1,628,922	739,394	78,416	548,857	109,133	140,686	171,974	126,511	9,020,931	12,564,824
Supplementary information:										
Investment income from associates and jointly-controlled entities	51,897	11,393	2,774	10,079	8	-	(11,468)	37,830	-	102,513
Depreciation and amortisation	182,784	153,844	30,444	9,742	87,199	66,648	77,415	60,175	35,214	703,465
Interest income	2,384	7,365	156	1,121	322	4,117	1,391	1,515	17,136	35,448
Capital expenditure (Note)	59,428	101,897	24,390	5,975	22,596	27,882	24,867	21,600	1,020,010	1,308,645
Intersegment sales	6,891	197	958	3,466	233	443	7,964	129,567	-	149,719

2012

	Oil/liquefied chemicals terminal and logistics services RMB'000	Container terminal and logistics services RMB'000	Passenger and roll-on, roll-off terminal and logistics services RMB'000	Automobile terminal and logistics and trading services RMB'000	Ore terminal and logistics services RMB'000	Bulk grains terminal and logistics and trading services RMB'000	General cargo terminal and logistics and trading services RMB'000	Port value-added services and ancillary port operations RMB'000	Unallocated RMB'000	Total RMB'000
Revenue	997,183	1,102,164	131,596	30,105	294,273	723,527	335,991	890,756	138,964	4,644,559
Less: Cost of sales and services	532,417	761,456	83,477	18,411	189,502	536,516	297,335	585,264	52,311	3,056,689
Gross profit	464,766	340,708	48,119	11,694	104,771	187,011	38,656	305,492	86,653	1,587,870
Less: Tax and surcharges	39,768	66,012	5,216	1,590	11,315	13,972	12,322	31,458	8,928	190,581
Sales expenses	-	-	-	-	-	79	-	-	-	79
Administrative expenses	45,540	114,313	23,410	1,175	28,142	31,613	35,334	119,690	92,180	491,397
Financial expenses	29,475	16,175	3,467	(474)	(1)	(2,956)	(413)	(3,043)	335,081	377,311
Impairment losses	-	1,179	-	-	-	-	(10)	-	-	1,169
Add: Investment income	63,955	9,583	(2,874)	9,602	192	-	(23,279)	18,116	95,579	170,874
Operating profit	413,938	152,612	13,152	19,005	65,507	144,303	(31,856)	175,503	(253,957)	698,207
Add: Non-operating income	34,695	164,545	93	-	120	7,710	8,027	4,136	(1,053)	218,273
Less: Non-operating expenses	143	597	6,958	-	-	64	1,868	360	7	9,997
Total profit	448,490	316,560	6,287	19,005	65,627	151,949	(25,697)	179,279	(255,017)	906,483
Less: Income tax expenses	102,769	81,736	9,536	355	16,360	38,010	413	33,375	(60,835)	221,719
Net profit	345,721	234,824	(3,249)	18,650	49,267	113,939	(26,110)	145,904	(194,182)	684,764
Total assets	8,221,624	6,047,110	1,378,518	789,575	2,114,786	1,700,356	2,776,180	1,767,394	3,033,237	27,828,780
Total liabilities	1,687,444	838,864	73,021	73,534	100,309	299,179	218,655	149,365	10,413,418	13,853,789
Supplementary information:										
Investment income from associates and jointly-controlled entities	64,003	9,583	(4,018)	9,602	192	-	(23,279)	18,057	-	74,140
Depreciation and amortisation	171,045	165,184	22,785	9,717	85,822	66,680	60,049	58,675	20,053	660,010
Interest income	3,292	4,043	148	591	164	3,016	413	3,516	28,312	43,495
Capital expenditure(Note)	298,521	151,884	16,614	6,659	79,028	3,132	325,604	138,902	19,134	1,039,478
Intersegment sales	6,487	1,568	1,011	4,523	140	16	1,159	139,019	-	153,923

Note: The capital expenditure includes the addition of fixed assets, construction in progress, investment properties, intangible assets and long-term prepaid expenses.

Other information

Geographical information

The entire Group's operations, and all its customers, are located in Mainland China. Accordingly, all revenue is generated from the customers in Mainland China and the major non-current assets are located in Mainland China.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary

In 2013, against the backdrop of slow pace of recovery in the global economy and the increased difficulty of macro-control, China's economy achieved steady growth. The year-round gross domestic product (GDP) grew by 7.7% year-on-year, with a fall in growth rate by only one percentage point when compared with the previous year.

Benefiting from steady growth of Chinese macro economy, stronger-than-expected performance was achieved in the port transportation and production in the country in 2013. Nation-wide port cargo throughput in 2013 grew at a relatively higher speed. Yet, the speed of growth was lower than those in 2011 and 2010. On a year-round basis, the growth in throughput was at a relatively high pace at the start of the year, but turned to a moderate pace subsequently. With a relatively high speed of growth in five categories of goods including coal, metal ore, petroleum, grain and mineral building materials, stronger-than-expected growth in throughput was attained.

The Group’s principal activities include oil/liquefied chemicals terminal and related logistics services (“Oil Segment”), container terminal and related logistics services (“Container Segment”), automobile terminal and related logistics and trading services (“Automobile Terminal Segment”), ore terminal and related logistics services (“Ore Segment”), general cargo terminal and related logistics and trading services (“General Cargo Segment”), bulk grain terminal and related logistics and trading services (“Bulk Grain Segment”), passenger and roll-on, roll-off terminal and related logistics services (“Passenger and Ro-Ro Segment”) and value-added and ancillary port operations (“Value-added Services Segment”).

In 2013, the macro economy and industries relevant to the Group’s principal business were as follows:

Oil Segment: Along with China's economic development, there is a substantial growth in energy demand. Crude oil imports hit successive new highs. In 2013, China’s crude oil imports amounted to about 280 million tons, up 4% on a year-on-year basis.

Container Segment: In 2013, the total GDP in Heilongjiang Province, Jilin Province and Liaoning Province (collectively, the “Three Northeastern Provinces of China”) was RMB5.4859 trillion, an increase of 8.7% as compared with 2012, maintaining a relatively high speed of growth. In 2012, the import and export value of the Three Northeastern Provinces of China was USD173.7 billion, an increase of 1.7%, being 5.9% lower than the national average. The foreign trade value in the Three Northeastern Provinces of China accounted for 4.2% of China’s total foreign trade, which was 0.2% lower than 2012.

Automobile Terminal Segment: In 2013, the production and sales market of China's automobile industry continued to maintain a swift pace of development, with higher-than-expected growth in both production and sales volume. In 2013, China's auto output was 22,117,000 vehicles, an increase of 14.8% year-on-year. Sales volume was 21,984,000 vehicles, an increase of 13.9% year-on-year.

Ore Segment: In 2013, China imported 820 million tonnes of iron ore, an increase of 10.2% over 2012. The average price for China’s imported iron ore was USD129 per tonne, an increase of 0.4%. Given the stable demand for steel from China's major large-sized steel production plants in northeastern region, together with the rapid development of some small to middle-sized steel plants, the volume of imports of iron ore into the northeast port increased.

General Cargo Segment: In 2013, against the backdrop of a decrease in China's demand for steel and coal, there was no decrease in production, leading to surplus supply in the steel and coal market. In 2013, China’s crude steel production was 779 million tonnes, a year-on-year growth of 7.5%. In 2013, China’s nationwide cumulative port shipment of coal amounted to 660 million tonnes, up 7% on a year-on-year basis.

Bulk Grain Segment: There was a decrease in demand for corns in Northeast China, due to multiple factors including the increase in the production and the improvement in the quality of corn in North China, the epidemic of H7N9 avian influenza and the increase in the foreign trade imported corns. There was a higher demand for imported soybeans from plants in Northeast hinterland due to their production capacity expansion.

Passenger and Ro-Ro Segment: In 2013, the overcapacity of the Bohai Bay area has become increasingly apparent. Passenger traffic volume showed a declining trend, whereas ro-ro vehicle traffic volume showed an increasing trend.

In 2013, the Group strived to fuel a stable growth in throughput by improving logistics system, cementing strategic cooperation, offering innovative products and services and embracing a steady approach of operation and development. In particular, the Automobile Terminal Segment continued to achieve remarkable growth. The Container Segment, Oil Segment, Bulk Grain Segment and Passenger and Ro-Ro Segment attained growth of larger extent, whereas the General Cargo Segment and Ore Segment recorded growth of insignificant rate. The Group's oil terminals handled a total of approximately 42.722 million tonnes of oil and liquefied chemicals, an increase of10.7% as compared with 2012, of which approximately 21.022 million tonnes was imported crude oil, an increase of 4.7% as compared with 2012. In the Container Segment, the Group handled approximately 10.86 million TEUs, an increase of 21.8%, of which approximately 9.912 million TEUs were handled by the Group at Dalian port, an increase of 23.8%. In the Automobile Terminal Segment, the Group handled 357,148 vehicles, an increase of 57.6%. In the Ore Segment, the Group handled approximately 22.759 million tonnes, an increase of 1.2%. In the General Cargo Segment, the Group handled approximately 32.314 million tonnes of cargoes, an increase of 0.5%. In the Bulk Grain Segment, the Group handled approximately 8.052 million tonnes of bulk grain, an increase of 11.1%. In the Passenger and Ro-Ro Segment, the Group transported approximately 3.793 million passengers, a decrease of 6.6% and approximately 947,000 vehicles, an increase of 13.8% as compared to with 2012.

Overall analysis of results

In 2013, the Group’s profit attributable to owners of the parent amounted to RMB 682,582,626.15, representing an increase of RMB 82,492,809.62 or 13.7% as compared with RMB 600,089,816.53 in 2012. The increase was due to the growth of the Group’s throughput, increased oil tanks occupancy rate, the revenue growth of port logistics business generated by the commissioning of new assets, and the growth of government subsidies.

In 2013, the Group’s basic earnings were RMB 15.42 cents per share, representing an increase of 13.7% from RMB 13.56 cents in 2012.

Principal components of the net profit are as follows：

Items	2013 (RMB)	2012 (RMB)	+/- (%)
Net profit attributable to owners of the parent	**682,582,626.15**	**600,089,816.53**	**13.7**
Including:			
Revenue	6,981,980,217.92	4,644,558,994.83	50.3
Cost of sales	5,394,402,786.13	3,056,689,429.56	76.5
Business taxes and surcharges	140,271,071.12	190,580,607.81	-26.4
Gross profit (less business taxes and surcharges) (note1)	1,447,306,360.67	1,397,288,957.46	3.6
Gross profit margin (less business taxes and surcharges) (note 2)	20.7%	30.1%	down 9.4 percent.
General and administrative expenses	558,363,509.67	491,396,037.19	13.6
Financial expenses	401,762,646.10	377,311,719.61	6.5
Investment income	189,052,696.34	170,873,749.71	10.6
Non-operating revenue	356,969,370.75	208,275,416.50	71.4
Income tax expense	243,915,328.93	221,718,576.73	10.0

Note1：Gross profit (less business *taxes and surcharges) = Revenue - Cost of sales* -Business *taxes and surcharges*

Note2：Gross profit margin (less business *taxes and surcharges) = （Revenue - Cost of sales* - Business *taxes and surcharges）/ Revenue*

For the year of 2013, the Group’s revenue recorded a significant increase. Such increase was mainly attributable to a significant increase in the trading business, and the change in accounting treatment of agency revenue after the VAT Reform[1]carried out in Dalian. The trading business made the revenue increased by 40.5%, and the change in accounting treatment made the revenue increased by 2.9%. Excluding above factors, the Group’s revenue increased by RMB 323,101,200.00, or a 7.7%. The increase was mainly attributable to the growth of the Group’s throughput, increase in the oil tank occupancy rate, and the revenue growth of port logistics business generated from commissioning new facilities. However, the revenue increase in the logistics business was offset by a decrease caused by the ad valorem separation after the VAT Reform.

For the year of 2013, the Group’s cost of sales increased, mainly due to a significant increase in the trading business, and the change in accounting treatment of agency cost after the VAT Reform. The trading business made the cost increased by 61.0%, and the change in accounting treatment made the cost increased by 4.4%. Excluding the impact of such factors, the cost of sales increased by RMB 336,353,400.00, or a 12.9%. Such increase was mainly due to the increase in labor costs, berth-leasing costs, and depreciation expenses associated with the commissioning of new facilities, as well as an increase in the operating costs attributed to the growth of the business.

For the year of 2013, the Group’s business taxes and surcharges decreased which was mainly attributable to a decrease in business tax and charges caused by the VAT Reform.

1The VAT Reform refers to the reform implemented by Chinese government on 1 August 2013 to replace it’s the business tax regime for the transportation and other service industries with a value-added tax regime.

For the year of 2013, the Group’s gross profit (less business taxes and surcharges)increased which was attributable to the growth of the Group’s throughput, increased oil tanks occupancy rate, and the revenue growth of port logistics business generated by the commissioning of new assets.

For the year of 2013, the Group’s gross profit margin (less business taxes and surcharges) decreased by a 9.4 percentage points over that of 2012 due to the low gross profit margin trading business and the change in accounting treatment with respect to the agency business after the VAT Reform. Excluding the impact of such factors, the gross profit margin was 31.7%, decreasing 1.5 percentage points over that of 2012. The decrease was mainly caused by the increase in the labor costs, berth-leasing costs and depreciation expenses associated with the commissioning of new facilities, as well as an increase in the operating costs attributed to the growth of business.

For the year of 2013, the Group’s general and administrative expenses increased that was mainly due to the increase in labor costs.

For the year of 2013,the Group’s financial expenses increased. The increase was mainly due to the increase in interest expenses resulted from an increase in short-term borrowing raising by certain subsidiaries and commencement of operation of new facilities during the year.

For the year of 2013, the Group’s investments income increased. Such increase was mainly attributable to investees having achieved good operating results for the current year.

For the year of 2013, the Group’s non-operating revenue increased. Such increase was mainly attributable to the government subsidies for the Group’s Container Segment and relocation compensation of Heizuizi (黑嘴子) dock.

For the year of 2013, the Group’s income tax expenses increased. Such increase was mainly due to an increase in the taxable income caused by an increase of gross profit and non-operating revenue during the current year.

Assets and liabilities

As of 31 December 2013, the Group’s total assets and net assets amounted to RMB27,226,109,085.02 and RMB14,661,285,030.00, respectively, and its net asset value per share was RMB3.04, representing an increase of 3.7% as compared with that as of 31 December 2012. The increase was mainly due to the accumulation from business operation.

As of 31 December 2013, the Group’s total liabilities amounted to RMB12,564,824,055.02, of which total outstanding bank and other borrowings amounted to RMB 9,973,296,016.01.

Financial resources and liquidity

As at 31 December 2013, the Group had a balance of cash and cash equivalents of RMB 2,173,924,914.82, which represented a decrease of RMB 320,547,645.93 as compared with 31 December 2012.

In 2013, the Group's net cash inflows generated from operating activities amounted to RMB 1,613,716,297.27. The Group's operating activities have kept generating stable cash inflows. The Group's net cash outflows from financing and investing activities amounted to RMB 1,517,008,733.80 and RMB 416,901,398.54, respectively. Benefited from stable cash inflows from its operating activities, receipts of principals invested in treasury products, and the Group's prudent approach for fixed assets and equity investments, the Group had maintained a strong financial position and a good debt profile.

As at 31 December 2013, the Group's bank and other borrowings amounted to RMB 9,973,296,016.01 of which RMB 6,369,911,545.61 was due after one year and RMB 3,603,384,470.40 was due within one year. The Group's net gearing ratio was 44.8% as at 31 December 2013 (57.2% as at 31 December 2012).

As at 31 December 2013, the Group's unutilized banking facilities amounted to RMB 15,990,557,000.00.

As at 31 December 2013, the Group did not have any significant exposure to fluctuations in exchange rates and did not enter into any foreign exchange hedging contracts.

Use of proceeds (A Shares)

Net proceeds of the public offering of 762 million A Shares in 2010 ("A Shares IPO") obtained by the Company amounted to approximately RMB2,772,091,500.00. As at 31 December 2013, the Company had utilized approximately RMB 2,159,145,300.00 of the net proceeds and the balance of the net proceeds was RMB 612,946,200.00. In 26 April 2013 the Company was authorized to use idle cash of RMB400,000,000.00 out of the A Share IPO proceeds to supplement the Company's working capital. The A Share IPO bank account balance was RMB 280,386,300.00 (an interest income of RMB 67,440,100.00 was earned on the proceeds).

There has been no material change in the proposed use of proceeds from the A Shares IPO as stated in the Company's prospectus dated 3 December 2010 expect for changes announced by the Company on 31 December 2011. As at 31 December 2013, the details of the use of proceeds were as follows:

Projects	Proceeds form A Shares IPO （RMB ）	Use of proceeds as of 31 December 2013 （RMB ）	Balance as of 31 December 2013

			（RMB ）
Construction of oil storage tanks with a total capacity of 1,000,000 m3 in Xingang	760,000,000.00	483,874,300.00	276,125,700.00
Construction of oil storage tanks with a total capacity of 600,000 m3 in the Xingang resort area	550,000,000.00	421,572,100.00	128,427,900.00
Construction of phase II of the Shatuozi oil storage tanks project in the XingangShatuozi area	29,600,000.00	29,600,000.00	0
LNG project	320,000,000.00	320,000,000.00	0
No.4 stacking yard for ore terminal	520,000,000.00	329,900,100.00	190,099,900.00
Purchase of gantry for ore terminal	37,200,000.00	37,200,000.00	0
Purchase of 300 bulk grain carriages	150,000,000.00	150,000,000.00	0
Ro-ro ships for carrying cars	230,000,000.00	212,000,000.00	18,000,000.00
Construction of railway siding in Muling	41,250,000.00	41,250,000.00	0
Construction of information systems	50,000,000.00	49,707,300.00	292,700.00
Increase in the registered capital of Dalian International Container Terminal Co., Ltd.	84,041,500.00	84,041,500.00	0
Total	2,772,091,500.00	2,159,145,300.00	612,946,200.00

Note: In order to reduce the amount of idle cash and the financing cost and to manage cash efficiently, the third meeting of the third session of the Company's board of directors in 2013 passed a resolution on 26 April 2013 regarding the temporary use of certain idle cash from the A Shares IPO proceeds to improve the liquidity of the Company's working capital. The Company was authorized to use idle cash of RMB 400,000,000.00 out of the A Share IPO proceeds to supplement the Company's working capital. Such an authorization is valid for a period of twelve months commencing 26 April 2013 when the Board passed the relevant resolution. The Company's independent directors, supervisors, and sponsors expressed their respective opinions on the board resolution. The Company made a public announcement in relation to the above board resolution on 26 April 2013.

Capital expenditure

In 2013, the Group's capital expenditure amounted to RMB 1,308,644,709.68 which was mainly funded by the surplus cash generated from operating activities, the proceeds from the public offering of A Shares and corporate bonds.

The performance analysis of each business segment in 2013 was as follows:

Oil Segment

The following table sets out the oil/liquefied chemicals throughput handled by the Group in 2013 and its comparative results in 2012:

	2013 ('000 tonnes)	2012 ('000 tonnes)	+/- %
Crude oil	27,542	24,231	13.7%
— Foreign trade imported crude oil	21,022	20,088	4.7%
Refined oil	9,480	9,973	-4.9%
Liquefied chemicals	1,035	1,066	-3.0%
Others (Including LNG)	4,665	3,307	41.1%
Total	42,722	38,577	10.7%

In 2013, in terms of oil/liquefied chemicals throughput, the Group handled a total of approximately 42.722 million tonnes, an increase of 10.7%.

For the year of 2013, the Group's crude oil throughput increased by 13.7% as compared with 2012 to 27.542 million tonnes, of which imported crude oil throughput increased by 4.7% to 21.022 million tonnes. Affected by the rise in Aframax freight index, transshipment customers increased imported crude oil transshipment at the ports of the Group. Due to the continued slackness in the international crude oil trade market, we made an effort to solicit new crude oil transshipment customers. With CNPC International having gradually get over the "7.16" explosion incident, foreign trade imported crude oil transshipment increased significantly.

For the year of 2013, the Group's refined oil throughput amounted to approximately 9.480 million tonnes, a decrease of 4.9% as compared with 2012. In light of the downturn in the domestic economy, and the fall in demand for refined oil, refineries in our hinterland reduced their processing capacity and scaled down their production to reduce loss, resulting in a decrease in refined oil shipment at the terminals of the Group via railways.

For the year of 2013, the Group's liquefied chemicals throughput amounted to 1.035 million tonnes, a decrease of 3.0% as compared with 2012. Although the Company made efforts to expand market share and had been actively soliciting new customers, the Group recorded a slight decrease in throughput, as a result of the unfavorable market conditions.

Liquefied natural gases ("LNG") throughput handled by the Group for the year of 2013 amounted to 4.665 million tonnes, an increase of 41.1% as compared with 2012. As customers increased transshipments at the terminals of the Group, the Group's LNG business throughput increased significantly.

For the year of 2013, the total imported crude oil volume handled by the Group accounted for 100% (100% in 2012) of the total amount of crude oil imported into Dalian and 67.5% (69.8% in 2012) of the total amount of crude oil imported into the Three Northeastern Provinces of China. The decrease in the Group's share in the imported crude oil throughput the Three Northeastern Provinces of China was mainly due to the enhanced transshipment capacity of the ports in surrounding areas.

In 2013, the performance of the Oil Segment was as follows:

Items	**2013 （RMB）**	**2012 （RMB）**	**+/- (%)**
Revenue	1,106,303,244.86	997,182,728.75	10.9
The share in the Group's revenue	15.9%	21.5%	down 5.6 percent.
Gross profit (less Business taxes and	507,459,318.97	424,997,134.24	19.4

surcharges)			
The share in the Group's gross profit (less Business taxes and surcharges)	35.1%	30.4%	up 4.7 percent.
Gross profit margin (less Business taxes and surcharges)	45.9%	42.6%	up 3.3 percent.

For the year of2013, the revenue from the Oil Segment increased 10.9% as compared with that in 2012 and was mainly due to an increase in oil tanks occupancy rate, rental income from new oil tanks put into use, and an increase in throughput. The gross profit margin (less business taxes and surcharges) increased 3.3 percentage points. The increase in the gross profit margin was attributable to the increase in revenue.

In 2013, the Group's major measures taken and the progress of major projects related to the Group's Oil Segment were as follows:

— Besides No. 8 storage tank, additional bonded crude oil storage tanks of 800,000 cubic meters and bonded refined oil storage tanks of 5,000 cubic metres were successfully put into operation, thereby signifying an important step towards setting up a bonded warehousing business.

— We stepped up the Dalian Port - Laizhou Bay crude oil transshipment project. Upon the opening of Dalian Port - Laizhou Port crude oil transshipment channel, we successfully secured customers to rent crude oil storage tanks of 400,000 cubic meters at our port, thus expanding the Group's crude oil transshipment business.

— In respect of No. 9 storage tank and the storage tank under Phase II of 北方油品 (Dalian North Petroleum Logistics Co.,Ltd.), construction works were being carried out on schedule.

Container Segment

The following table sets out the container throughput handled by the Group in 2013 and its comparative results in 2012:

		2013 ('000 TEUs)	2012 ('000 TEUs)	+/-%
Foreign trade	Dalian	5,177	4,662	11.0%
	Other Ports (note 1)	150	124	21.0%
	Sub-total	5,327	4,786	11.3%
Domestic trade	Dalian	4,735	3,347	41.5%
	Other Ports (note 1)	798	784	1.8%
	Sub-total	5,533	4,131	33.9%
Total	Dalian	9,912	8,009	23.8%
	Other Ports (note 1)	948	908	4.4%
	Total	10,860	8,917	21.8%

Note 1: Throughput at other ports refers to an aggregate of the throughput of 錦州新時代集裝箱碼頭有限公司 (Jinzhou New Age Container Terminal Co., Ltd.), which is owned as to 15% by the Group and 秦皇島港新港灣集裝箱碼頭有限公司 (Qinhuangdao Port New Harbour Container Terminal Co., Ltd.), which is owned as to 15% by the Group.

In 2013, in terms of container throughput, the Group handled a total of approximately 10.86 million TEUs, an increase of 21.8%, of which approximately 9.912 million TEUs were handled by the Group at Dalian Port, an increase of 23.8% over 2012. In 2013, the continued growth in domestic trade container cargo volume added vitality to the rapid development of our container business. Meanwhile, provincial and municipal governments' policies of accelerating the development of container industry gave impetus and support to the sustainable development of the Group's container business.

In 2013, the Group’s container terminal business represented 99% (99.3% in 2012) of the total markets share in Dalian and 58.9% (53.3% in 2012) of that in the Three Northeastern Provinces of China. The Group’s container throughput for foreign trade accounted for 100% (100% in 2012) of the total volume in Dalian and 96.9% (96.6% in 2012) of that in the Three Northeastern Provinces of China.

In 2013, the performance of the Container Segment was as follows:

Items	2013 （RMB）	2012 （RMB）	+/- (%)
Revenue	1,310,854,527.58	1,102,164,370.80	18.9
The share in the Group’s revenue	18.8%	23.7%	down 4.9 percent.
Gross profit (less Business taxes and surcharges)	291,481,735.38	274,696,201.24	6.1%
The share in the Group’s gross profit (less Business taxes and surcharges)	20.1%	19.7%	up 0.4 percent.
Gross profit margin (less Business taxes and surcharges)	22.2%	24.9%	down 2.7 percent.

For the year of 2013, the revenue from the Container Segment was up 18.9%. Excluding the impact of the change in accounting treatment of agency revenue after the VAT Reform, the revenue increased by 8.4%or RMB 93,020,200.00 and such growth was attributable to the growth of the Container Segment’s throughput and transportation business. The gross profit margin (less business taxes and surcharges) decreased 2.7 percentage points over that in 2012. Excluding the impact of the change in accounting treatment of agency revenue after the VAT Reform, the gross profit margin (less business taxes and surcharges) was 24.4% and decreased 0.5 percentage points as compared with that in 2012. The decrease was due to the increase in the proportion of domestic handling business.

In 2013, the Group’s major measures taken and the progress of major projects related to the Group’s Container Segment were as follows:

— In relation to the opening of new routes, the Group introduced two near-ocean routes, and added six domestic trade routes. To this end, our maritime network system was further improved.

— We adhered to the "Bohai Rim Strategy" to build a container transshipment hub at all-out endeavors. Leveraging on the capacity of our vessels, the Group ran the lines from Dalian to Weifang (濰坊), Dalian to Jingtang (京唐) and Dalian to Huanghua (黃驊). The Group also increased departures for trains running between Dandong (丹東) and Chaofeidian (曹妃甸), thus further extending the reach of its sub-lines.

— Teaming up with a railway company, we ran three passenger train lines and the Manzhouli (满洲裡) cross-broader transit lines, offering cargo owners in our hinterland access to a full range of tailored integrated logistics services via sea-to-rail model. With our self-owned trailers, we also joined forces with other transportation companies to develop inland highway transportation.

Automobile Segment

The following table sets out the throughput handled by the Group's automobile terminal in 2013 and its comparative results in 2012.

		2013	2012	+/-%
Vehicles (units)	Foreign trade	21,435	23,366	-8.3%
	Domestic trade	335,713	203,197	65.2%
	Total	357,148	226,563	57.6%
Equipments (tonnes)		7,327	26,393	-72.2%

For the year of 2013, the Group handled a total of 357,148 vehicles, representing a substantial increase of 57.6% as compared to the corresponding period in 2012. The main domestic trade customers have increased the proportion of waterway transportation and the traffic volume with the Group. With a continued growth in North-South convection traffic flow for the domestic trade, there was a growth in the overall throughput.

In 2013, the Group's vehicle throughput accounted for 100% (99.5% in 2012) of the total market share in the Three North-eastern Provinces of China.

In 2013, The performance of the Automobile Terminal Segment was as follows:

Items	2013 （RMB）	2012 （RMB）	+/- (%)
Revenue	743,873,692.76	30,104,988.63	2,370.9
The share in the Group's revenue	10.7%	0.6%	up 10.1 percent.
Gross profit (less Business taxes and surcharges)	24,088,913.36	10,104,389.11	138.4
The share in the Group's gross profit (less Business taxes and surcharges)	1.7%	0.7%	up 1.0 percei
Gross profit margin (less Business taxes and surcharges)	3.2%	33.6%	down 30.4 percent.

For the year of 2013, the revenue from the Automobile Terminal Segment increased by23.71 times as compared to that in 2012 and the increase was attributable to the substantial increase in sales brought about by the port-related trading business. Excluding the impact of the trading business, the increase in revenue was 42.9% or RMB 10,248,700.00. The increase was attributed to the growth of storage services and vehicle inspection service. The gross profit margin (less business taxes and surcharges) decreased 30.4 percentage points over that in 2012. Excluding the impact of the trading business, the gross profit margin (less business taxes and surcharges) was 59.8%, representing an increase of 17.8 percentage points over that in 2012. The increase was attributable to the new business in storage and vehicle inspection services.

In 2013, the Group's major measures taken and the progress of major projects related to the Group's Container Segment were as follows:

— Continued efforts were made to enhance our terminal services capabilities and to enhance the influence of our port. While maintaining stable cargo sources of foreign trade through a number of initiatives including service innovation, we stepped up the transformation of our port business model to some extent.

— The Group established Dalian Haijia Automobile Terminal Co. Ltd with Shanghai Anji Automobile Logistics Co. Ltd. We opened the Dalian - Yantai domestic trade routes. As a result, the Group recorded a remarkable increase in the transshipment of SAIC (上汽) branded goods vehicles.

Ore Segment

The following table sets out the throughput handled by the Group's ore terminal in 2013 and its comparative results in 2012.

	2013 ('000 tonnes)	2012 ('000 tonnes)	+/-%
Ore	22,104	21,936	0.8%
Others	655	552	18.8%
Total	22,759	22,488	1.2%

For the year of 2013, the Group's ore terminal handled approximately 22.759 million tonnes of ore, an increase of 1.2% as compared with the corresponding period in 2012.

In 2013, the Group's ore throughput accounted for 28.9% (29% in 2012) of the total throughput in the Three North-eastern Provinces of China.

In 2013, the performance of the Ore Segment was as follows:

Items	2013 （RMB）	2012 （RMB）	+/- (%)
Revenue	295,685,178.43	294,272,735.55	0.5
The share in the Group's revenue	4.2%	6.3%	down 2.1 percent.
Gross profit (less Business taxes and surcharges)	105,486,338.05	93,455,156.77	12.9
The share in the Group's gross profit (less Business taxes and surcharges)	7.3%	6.7%	up 0.6 percent.
Gross profit margin (less Business taxes and surcharges)	35.7%	31.8%	up 3.9 percent.

For the year of 2013, the revenue from the Ore Segment increased by 0.5% and was mainly due to the increase in throughput. The gross profit margin (less business taxes and surcharges) increased 3.9percentage points as compared with that in 2012. The increase was attributable to the growth of throughput and the implementation of cost control measures.

In 2013, the Group's major measures taken and the progress of major projects related to the Group's Ore Segment were as follows:

— Building on our strengths, we were well-positioned to provide personalized services to steel plants in our hinterland. We stabilized the existing customer base, and improved our specialized service projects. We also continuously explored new business opportunities by introducing new products and soliciting new customers.

— With optimal service solutions and value-added services, we solicited transshipment cargo sources, further beefing up our transshipment business. With an integrated trade business information and logistics platform, we expanded ore trading operations, effectively increased our market share in the ore trading business.

— Leveraging on our competitive advantages in terms of location, we solicited ore trading business and bonded ore business. We expanded mixed ore operations on the basis of port area bonded capabilities. We have formed a mine of Dalian port standards. The mine has successfully entered into a stage of water transfer.

General Cargo Segment

The following table sets out the throughput handled by the Group's general cargo terminal in 2013 and its comparative results in 2012:

	2013 ('000 tonnes)	2012 ('000 tonnes)	+/-%
Steel	8,414	7,618	10.4%
Coal	13,170	12,720	3.5%
Equipment	2,091	2,158	-3.1%
Others	8,639	9,646	-10.4%
Total	32,314	32,142	0.5%

The throughput handled at the Group's general cargo terminal for the year of 2013 amounted to 32.314 million tonnes, a year-on-year increase of 0.5%.

For the year of 2013, the Group handled a total of 8.414 million tonnes, a year-on-year increase of 10.4%. In the climate of decrease in the demand for steel, the Group made great efforts to foster service and product innovation. We maintained the growth of steel throughput by boosting the efficiency of "Longzu" transportation and opening domestic and foreign trade steel liner services.

For the year of 2013, the volume of coal handled by the Group was approximately 13.17 million tonnes, which represented an increase of 3.5% compared with the year of 2012. While maintaining the existing customer base with stable transshipment business, the Group made vigorous marketing efforts to solicit new customers and new cargo sources, to increase the transshipment volume of coal sourced through land transport mode, transshipment mode and rail-to-sea inter-modal.

For the year of 2013, the volume of equipment handled by the Group was approximately 2.091 million tonnes, which represented a decrease of 3.1% as compared with the corresponding period in 2012. The decrease in the Group's equipment throughput was mainly due to the international financial environment, the shortfall of funds of certain customer and the delay in construction.

The steel throughput and coal throughput handled at the Group's general cargo terminal in 2013 accounted for 18.9% (17.6% in 2012) and 17.5% (16% in 2012) of the total market share in the Three North-eastern Provinces of China respectively.

In 2013, the performance of the General Cargo Segment was as follows:

Items	**2013 （RMB）**	**2012 （RMB）**	**+/- (%)**
Revenue	423,953,353.23	335,990,523.40	26.2
The share in the Group's revenue	6.1%	7.2%	down 1.1 percent.
Gross profit (less Business taxes and surcharges)	-13,170,094.96	26,333,637.78	-150.0
The share in the Group's gross profit (less Business taxes and surcharges)	-0.9%	1.9%	down 2.8 percent.
Gross profit margin (less Business taxes and surcharges)	-3.1%	7.8%	down 10.9 percent.

For the year of 2013, the revenue from General Cargo Segment increased by 26.2% and such increase was attributable to the substantial increase in sales brought about by the port-related trading business. Excluding the impact of the trading business, the revenue increased. The increase in revenue was by 1.1% or RMB 3,842,800.00. The gross profit margin (less business taxes and surcharges) decreased 10.9 percentage points as compared to that in 2012. The decrease was attributable to an increase in the labor cost and depreciation expenses associated with the commissioning of new terminal.

In 2013, the Group's major measures taken and the progress of major projects related to the Group's General Cargo Segment were as follows:

— Longzu transport played a stabilizing role in the steel transportation business via rail-to-sea inter-modal. We promoted our steel trade service platform and the construction of logistics park. With value-added services, we solicited new sources of land transportation of steel sourced from small to middle-sized steel plants in our hinterland as well as Bohai Rim region.

— We have been closely monitoring changes in cargo sources, in order to assure the coal transshipment volume of our key customers. We kept abreast of the latest developments of the coal market. We maintained constant contact with our customers to exchange information to ensure the steady transshipment volume of coal via rail-to-sea inter-modal and land transport mode.

— We reinforced our service capabilities and enhanced our port competitiveness. Through cooperation with customers, we built a near-port bulky equipment assembly base in Dalian Bay port area and Changxing Island port region.

Bulk Grain Segment

The following table sets out the throughput handled by the Group's bulk grain terminal in 2013 and its comparative results in 2012.

	2013 ('000 tonnes)	2012 ('000 tonnes)	+/- %
Corn	4,072	3,674	10.8%
Soy bean	2,078	1,668	24.6%

Barley	198	221	-10.6%
Wheat	6	59	-89.9%
Others	1,698	1,624	4.6%
Total	8,052	7,246	11.1%

For the year of 2013, the throughput handled by the Group's bulk grain terminal segment was approximately 8.052 million tonnes, an increase of 11.1% as compared with the year of 2012.

For the year of 2013, corn throughput handled by the Group's bulk grain terminal segment was approximately 4.072 million tonnes, an increase of 10.8% as compared with 2012. In the first half of the year, the country had abundant supplies of corn, in particular in the northern China. Although corn production in northeastern China increased in 2012, the quality of corn from that region dropped. At the same time, corn production in northern China increased by 6,000,000 tonnes on a year-on-year basis and the quality from that region improved, combined with the factor of competitive prices, corn from northern China was more competitive. In the second half of the year, as the Group actively solicited various supplies of corn and due to national re-allocation of corn supplies, we effectively made up the corn supply gap in the first half of the year.

For the year of 2013, the Group's soy bean throughput was approximately 2.078 million tonnes, which represented an increase of 24.6% as compared with the same period of last year. The Group adjusted its strategy for soliciting business. We maintained our stable relationship with long-term customers at one hand and on the other hand, we tapped into new customers having a relatively large transportation volume. As a result, we had achieved a significant increase in the soybean throughput.

In 2013, the throughput handled by the Group accounted for 16.5% (17.6% in 2012) of the total throughput in the Three North-eastern Provinces of China.

In 2013, The performance of the Bulk Grain Segment was as follows:

Items	**2013** （**RMB**）	**2012** （**RMB**）	**+/- (%)**
Revenue	1,890,389,292.21	723,526,990.34	161.3
The share in the Group's revenue	27.1%	15.6%	up 11.5 percent.
Gross profit (less Business taxes and surcharges)	174,295,248.02	173,038,764.60	0.7
The share in the Group's gross profit (less Business taxes and surcharges)	12.0%	12.4%	down 0.4 percent.
Gross profit margin (less Business taxes and surcharges)	9.2%	23.9%	down 14.7 percent.

For the year of 2013, the revenue from the Bulk Grain Segment increased significantly by 161.3%. Excluding the impact of the trading business, the revenue was up 1.5% or RMB 5,382,300.00. The increase was mainly attributable to an increase in vehicle rental income. However, such increase was offset by a decline in the portion of cargoes with high-profit margin. The gross profit margin (less business taxes and surcharges) decreased 14.7 percentage points over that in 2012, mainly due to a decrease in the gross profit margin of logistics business resulting from a significant increase of the low gross profit margin trading business and a decrease in the proportion of the high gross profit margin cargos .

In 2013, the Group's major measures taken and the progress of major projects related to the Group's General Cargo Segment were as follows:

— By entering into annual lease agreements, the Group had locked up the domestic corn transshipment of certain targeted major customers. The Group ensured a stable and efficient corn supplies by timely adjustment of customer portfolio and freight composition with a focus on utilization of silos and grain carriers.

— With the arrival of the 200 grain carriers jointly invested by the Group and certain customers, the number of grain carries operated by the Group reached 1,700.

— The grain trading business of "Dalian Port Oil Trading Co., Ltd." (大連港糧油貿易有限公司), a wholly owned subsidiary of the Company continued to expand driving the growth in the port logistics business.

Passenger and Ro-Ro Segment

The following table sets out the passenger and roll-on roll-off throughput handled by the Group in 2013 and its comparative results in 2012.

	2013	2012	+/-%
Passengers ('000 persons)	3,793	4,062	-6.6%
Vehicles ('000 units) (note 2)	947	832	13.8%

Note 2: The number of vehicles refers to the number of vehicles handled at the passenger and roll-on, roll-off terminals of the Group and at the terminals of the companies in which the Group has equity interests.

For the year of 2013, the Group transported approximately 3.793 million passengers, a decrease of 6.6% over 2012, and handled approximately 947,000 vehicles, an increase of 13.8%.

In 2013,the performance of the Passenger and Ro-Ro Segment was as follows:

Items	2013 （RMB）	2012 （RMB）	+/- (%)
Revenue	131,045,100.66	131,596,278.98	-0.4
The share in the Group's revenue	1.9%	2.8%	down 0.9 percent
Gross profit (less Business taxes and surcharges)	33,648,684.24	42,903,643.10	-21.6
The share in the Group's gross profit (less Business taxes and surcharges)	2.3%	3.1%	down 0.8 percent
Gross profit margin (less Business taxes and surcharges)	25.7%	32.6%	down 6.9 percent.

For the year of 2013, the revenue from the Passenger and Ro-Ro Segment fell 0.4%, mainly due to a decrease in transportation volume. The gross profit margin (less business taxes and surcharges) decreased 6.9 percentage points over that in 2012. The decrease was mainly due to the decreased transportation volume and an increase in depreciation expenses after the roll-on roll-off terminal was put into use.

In 2013, the major measures taken and the progress of key projects related to the Group's Passenger and Ro-Ro Segment were as follow:
— Development of new routes and adjustment of routes resources. We opened a new ro-ro route between Lvshun port and Dongying port. We also changed the route between Dalian port and Tianjin port to a route between Lvshun port and Tianjin port. Furthermore, the original seasonal operations were expanded to annual regular operations.

— We actively promoted the Drop and Pull (甩掛) transportation business model. We signed a strategic cooperation agreement with Yantai Salvage Bureau for the purposes of building up a logistics platform for the Drop and Pull (甩掛) transportation business in the Liaoning and Shandong region.

— We developed an e-ticket system whereby we simplified the process from ticket sales to boarding, therefore improved our efficiency of services.

Value-added Services Segment

Tugging

In 2013, the Group secured an increase in income by voyage charter and optimizing resource allocation. At the same time, we laid down plans to establish tugboat base in an attempt to reduce regional operating cost and to maintain a healthy development trend for our tugging business.

In markets outside Dalian, the Group adjusted our strategy in a timely manner and optimized resource allocation in response to the increasingly volatile market landscape, so as to maintain a stable long-term customer base and to expand our market share. The four tugboats with 7,200 horsepower all have been deployed in operation in 2013.

By the end of December 2013, the Group had a total of 43 full-swing tugboats and four pilot boats. Among these vessels, 13 tugboats were leased out under long-term leases to other ports outside Dalian. The Group retained a leading tugging services position among its peers across the country.

Tallying

In 2013, the total tallying throughput handled by the Group was approximately 45.142 million tones, an increase of 7.5% over last year.

Railway

In terms of the operation of railway transportation, the Group handled a total of 665,000 carriages, a decrease of 5% as compared with the last year.

In 2013, the performance of the Value-added Services Segment was as follows:

Items	2013 (RMB)	2012 (RMB)	+/- (%)
Revenue	966,774,701.13	890,756,178.33	8.5
The share in the Group's revenue	13.9%	19.2%	down 5.3 percent.
Gross profit (less Business taxes and surcharges)	274,967,325.48	274,034,603.82	0.3
The share in the Group's gross profit (less Business taxes and surcharges)	19.0%	19.6%	down 0.6 percent.

Gross profit margin (less Business taxes and surcharges)	28.4%	30.8%	down 2.4 percent.

For the year of 2013, the revenue from the Value-add Services Segment was up 8.5%, as compared with that in 2012, mainly due to an increase in supervision services and information service. The gross profit margin (less business taxes and surcharges) decreased 2.4 percentage points over that in 2012. The decrease was mainly due to an increase in sales of low profit margin software and hardware and labor cost.

Core Competence Strengths

In 2013, the Group's port operation capability remained stable, and maintained a leading position in the Bohai Rim region. Our port service capability continued to improve, in particular in the following aspects: (i) we accelerated the construction of the comprehensive logistics system, and expanded the network coverage, which included the initial voyage of the Group’s Arctic routes, the introduction of the Laizhou Bay oil transit routes, the comprehensive layout of the container feeder service in the two inner seas rims (i.e. the Bohai Rim and Huanghai Rim) and the introduction of the "Port Arthur - Dongying" route with respect to the Group’s roll-on roll-off services; (ii) by laying a solid foundation for construction of an integrated infrastructure for industrial, commerce and trading business, our trading businesses recorded a significant growth. The scale of food, vehicles and steel trading business gradually expanded. Furthermore, we actively explored new trading varieties; (iii) with the improvement in our capability in respect of accessing to and integration of resources, we had achieved breakthrough in integrated innovation. With strengthening the integration of logistics and information services, as well as the expanded scale of crude oil bonded warehousing, the value added by our port services increased; and (iv) we had made a remarkable progress in cooperation with other institutions in the field of financing, paving the way for sustainable development. Our capability in cold chain logistics continued to improve as we introduced Hang Pu Phase II and Yi Du Phase II cold storage projects. We teamed up with SAIC to construct and operate automobile dock Phase II on a joint venture basis and we extended our port investment to southern China by taking part in the Ningde 300,000 tonnes oil terminal project.

Future Development

(I) Competitive landscape and the industry trend

In 2014, the global economic recovery gradually regained stronger momentum in wake of previous fluctuations. Major developed economies showed evident signs of broad-based recovery. At the Eighteenth Third Plenary Session, a plan for deepening the comprehensive reforms was clearly outlined and benefits from the reforms would manifest gradually. The reforms would also facilitate the development of trade and investment. The PRC government has introduced a series of policies, which are expected to stimulate the economic growth of the eastern coast of China, thus significantly uplift China's foreign trade.

The Group's principal hinterland includes the Three Northeastern Provinces of China and eastern regions in Inner Mongolia. Cargo supply is mainly related to bulk general cargo, oil products, containers, automobiles as well as passenger and roll-on and roll-off operations, such as iron ore, coal, steel and grain. With a comprehensive range of cargo types in our operations, we have a stronger risk-resisting capability. With the support of the above-mentioned positive trends and policies, the Group expects that the total throughput will continue to maintain a steady growth. In particular, driven by the growth in domestic demand, oil chemicals business and the ro-ro business will continue to maintain a rapid growth while bulk general cargo such as iron ore, coal and grain will maintain certain growth and container business will remain stable.

(II) Possible risk exposures

In light of the persistence of downside risks in the global economy, policy adjustments in developed countries have brought uncertainty to the world economic development. With a marked slowdown in the growth in emerging economies, the negative impacts of international geopolitical policy and international trade protectionism still exists. This may hinder China's economic development, and hence may affect the throughput growth in foreign trade including containers and commodity automobiles. Domestically, given that the domestic economy is subject to a number of adjustment resulting from the "improving the growth mode and making adjustment of structure" policy, stabilization of housing prices, reduction of excess capacity, and mitigation of environmental pressures, the demand for some bulk commodities may fall, which will in turn exert influence on the Group's steel, coal and ore business. Meanwhile, with the continued enhancement of the capabilities of a couple of intra-provincial ports as well as other intra-Bohai Bay ports, the Group will be exposed to increased competition.

(III) The development strategy of the Group

The Group will continue to step up in-depth restructuring and development and to bolster product and service innovation. Based on the guideline of our "trade development planning" and "logistics development planning", we will continue to implement our market development approach of "building our presence", to set up a comprehensive logistics service system, build up an integrated platform for industrial, commerce and trading business, expand the value-added services and to boost operational efficiency, in order to put in place a logistics network covering the northeast region and the Bohai Rim region, and a value-added services system involving near-port industries, trade, finance and information services.

Opportunities, challenges faced and major market development measures to be taken by the Group in 2014

Oil Segment

— Taking advantage of the crude oil berths with a capacity of 300,000 tonnes, large capacity of storage tanks and the bonded warehousing resources, we will continue to maintain service efficiency. We will continue to maintain the current stable customer base and to make every effort to solicit new crude oil transshipment businesses.

— As No.9 storage tank will soon be put into operation, we will accelerate the expansion of the capacity of our public bonded warehouses, expand the cooperation in oil transshipment and storage, further broadened our customer base in the Bohai Bay area to secure new crude oil transshipment business.

— We will vigorously promote the crude oil futures settlement project at Dalian port.

Container Segment

— In relation to route development, in response to the challenges emerging from large-scale vessels and shipping alliances, we will enhance our berthing capability to maintain the stable operation of existing routes. We will take a more aggressive strategy to develop new routes.

— We will actively implement the development strategy relating to the two inner seas rims, i.e. the Bohai Rim and Huanghai Rim. By taking measures such as enhancing our shipping capacity and increasing the number of containers, we will continue to open new public branch routes, increase departures, improve the public route network, and to expand the market in our hinterland.

— We will strengthen cooperation with shipping companies, railways and major cargo owners in our hinterland. We will adhere to an innovative logistics development model, and explore new business models, in order to transform our port into a logistics and trading hub and improve handling capability.

Automobile Terminal Segment

— We will continue to strengthen cooperation with automobile manufacturers in our hinterland, and strive to enhance the influence of our port, so as to achieve sustainable rapid growth in throughput.

— Through a multi-level cooperation, we will actively expand our third-party logistics services and KD （Knock Down）logistics business.

— We will further enhance our capability of value-added services, so as to promote a rapid growth in the trading volume of automobiles.

Ore Segment

— We will strengthen our partnerships with three major mines and increase our understanding of the needs of steel plants in order to enter into the ore bonded business. Through ore screening and mixing services, we will enhance our value-added services in order to meet the constantly changing demand of steel plants, thus becoming the second processing base for steel plants.

— We will continue to develop our commerce platform solicit the business from small and medium-sized steel plants by developing spot trading, in order to increase ore transshipment volume.

General Cargo Segment

— We will step up the construction of our steel logistics park, and build a commerce and industry integrated services platform, so as to solicit steel transportation business.

— Leveraging on our port facilities, we will establish effective cooperation with shipping companies and cargo owners with an aim of creating a win-win situation for three sides with complementary advantages and resource sharing. We will gradually establish connections with overseas project contractors, and enhance our influence in the bulky equipment transportation industry.

— We will accelerate the construction of timber fuming and heating treatment zone in Changxing Island Port, carry out timber fuming and heating treatment activity, solicit customers to invest and set up facilities at our port.

Bulk Grain Segment

— Taking advantage of the government subsidy policy in the first half of the year, we had been enhancing marking efforts to solicit domestically-traded corns and rice from major grain trading enterprises and feed production enterprises. By seizing the opportunity of the growth in demand for imported goods, we strive for soliciting the imported soybeans and barley transportation business.

— We will continue to carry out the annual bulk grain carriers leasing arrangement to lock-up the annual transportation volume from major customers. We will further improve the operational capabilities of grain carriers and market responsiveness to improve the efficiency. We will also establish a communication mechanism with the railways to improve our port operational efficiency.

Passenger and Ro-Ro Segment

— We will expand the scale of land-island transport capacity to improve the public transportation between island and inland. We will also develop land-island tourism routes, so as to increase the land-island tourist volume.

— We will further expand logistics distribution and Drop and Pull transportation business (甩掛業務) to transform the ro-ro transportation into a logistics business. While maintaining our share in the traditional passenger and ro-ro market, we will make vigorous efforts in developing marine tourism projects, thereby further increasing the proportion of tourists.

Value-added Service Segment

— Benefiting from the development of regionalization and port consolidation, the Group will be able to improve our profitability by reducing tugboat deployment costs with rationalization of the number of tugboats and tugs power ratio at various tugboat bases. Meanwhile, the Group will intensify its marketing efforts outside Dalian in order to achieve a new breakthrough.

— The Group plans to build two full-swing tugboats of 5,000 horsepower with ice-breaking, fire services and towing capabilities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with all code provisions contained in the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the year ended 31 December 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct governing director's dealing in the Company's securities transactions (the "Code of Directors' Securities Dealings") on terms no less exacting than the standards required under the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules. Upon specific enquiries, all directors confirmed that they had complied with the provision of the Code of Directors' Securities Dealings during the year ended 31 December 2013.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2013, the Company did not redeem any of its listed shares. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed shares in the aforesaid period.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The Company's audit committee has reviewed the accounting principles and practices adopted by the Company and the annual results for the year ended 31 December 2013.

FINAL DEVIDEND

The Board has proposed to pay a final dividend of RMB6 cents per share (including PRC withholding tax) in cash. Such proposal is pending approval by the shareholders of the Company at the forthcoming annual general meeting of the Company to be held soon. The record date and closure of books for determining entitlement to final dividend and attending the annual general meeting will be announced in due course.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

In accordance with the requirements under the Listing Rules, the 2013 annual report containing all information set out in this announcement including the financial results for the year ended 31 December 2013 will be posted on the Company's website at www.dlport.cn and the website of the SEHK at www.hkex.com.hk in due course.

By Order of the Board of Directors
Gui Yuchan LEE, Kin Yu Arthur
Joint Company Secretaries

Dalian City, Liaoning Province, the PRC
27 March 2014

As at the date of this announcement, the Directors of the Company are:
Executive Directors: HUI Kai, XU Song, ZHU Shiliang and SU Chunhua
Non-executive Directors: XU Jian and ZHANG Zuogang
Independent non-executive Directors: LIU Yongze, GUI Liyi, WAN Kam To, Peter and YU Long

** The Company is registered as a non-Hong Kong company under Part XI of the previous Companies Ordinance (equivalent to Part 16 of the Companies Ordinance with effect from 3 March 2014) under the English name "Dalian Port (PDA) Company Limited".*