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)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

IMPORTANT NOTICE

1.1 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 jointly and severally accept the responsibility for the truthfulness, accuracy and completeness of the information herein contained.

1.2 Mr. Liu Fangyun, Mr. Shi Jialiang and Mr. Qiu Guanzhou, the Directors, did not attend the meeting due to business commitments. However, Mr. Liu Fangyun and Mr. Shi Jialiang appointed Mr. Li Baomin, the chairman, as the proxy and Mr. Qiu Guanzhou appointed Mr. Long Ziping as the proxy to participate in and vote at the meeting. Save for the aforesaid, all other Directors attended the Board meeting which approved, inter alia, results for the year ended 31 December 2015.

1.3 The consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2015 prepared in accordance with PRC Accounting Standards for Business Enterprises ("**PRC GAAP**") and International Financial Reporting Standards ("**IFRSs**") have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP (domestic auditor)(Special General Partnership) and Deloitte Touche Tohmatsu (overseas auditor) respectively with standard unqualified audit report issued.

1.4 The Company's Chairman, Li Baomin, the principal accounting responsible person, Wu Jinxing, and Manager of Financial Department (accounting chief), Jiang Liehui hereby warrant the truthfulness, accuracy and completeness of the financial report as set out in the annual report.

1.5 The audit committee of the Company has reviewed the financial report for the year ended 31 December 2015.

2 CORPORATE INFORMATION

2.1 Corporate information

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

2.2 Contact persons and contact methods

	Secretary to the Board	Securities Affairs Representative
Name	Huang Dongfeng	Xiao Huadong
Address	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Telephone	0791–82710117	0791–82710111
Facsimile	0791–82710114	0791–82710114
E-mail	jccl@jxcc.com	jccl@jxcc.com

2.3 Basic information

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China
Postal code of the registered address of the Company	335424
Office address of the Company	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Postal code of the office address of the Company	330096
Website of the Company	http://www.jxcc.com
E-mail	jccl@jxcc.com

2.4 Information disclosure and place of inspection

Newspapers selected by the Company for information disclosure	Shanghai Securities News
Website designated by the China Securities Regulatory Commission ("**CSRC**") for publishing the annual report	www.sse.com.cn
Place of inspection of annual report	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China

3 SUMMARY OF ACCOUNTING AND FINANCIAL INDICATORS

3.1 Major accounting data (prepared in accordance with PRC GAAP)

Unit: Yuan Currency: RMB

Major accounting data	2015	2014	Increase/decrease for the period over the same period last year (%)	2013
Operating revenue	**185,782,491,341**	198,833,486,017	-6.56	175,890,190,968
Net profit attributable to shareholders of the Company	**637,218,130**	2,850,649,245	-77.65	3,565,009,194
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	**121,883,714**	1,733,560,208	-92.97	3,122,198,232
Net cash flows from operating activities	**1,902,023,306**	1,735,447,985	9.60	5,232,520,379

	End of 2015	End of 2014	Increase/decrease at the end of the period over the end of the same period last year (%)	End of 2013
Net assets attributable to shareholders of the Company	**45,906,380,055**	45,733,876,161	0.38	44,522,786,074
Total assets	**89,755,211,107**	95,322,374,877	-5.84	88,766,654,061
Total capital stock at the end of the period	**3,462,729,405**	3,462,729,405	–	3,462,729,405

3.2 Major financial data (prepared in accordance with PRC GAAP)

Currency: RMB

Major financial data	2015	2014	Increase/decrease for the period over the same period last year *(%)*	2013
Basic earnings per share (RMB/share)	**0.18**	0.82	-78.05	1.03
Diluted earnings per share (RMB/share)	**0.18**	0.82	-78.05	1.03
Basic earnings per share after non-recurring profit and loss items (RMB/share)	**0.04**	0.50	-92.00	0.90
Return on net assets (weighted average) (%)	**1.39**	6.32	Decreased by 4.93 percentage points	8.16
Return on net assets after non-recurring profit and loss items (weighted average) (%)	**0.27**	3.84	Decreased by 3.57 percentage points	7.15

Non-recurring profit and loss items and amount attributable to shareholders of the Company (prepared in accordance with the PRC GAAP)

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	2015 Amount	Notes (if applicable)	2014 Amount	2013 Amount
Gains/losses from disposal of non-current assets	**(26,564,619)**		(39,649,118)	(53,849,052)
Ultra vires approval, or no formal approval document, or incidental tax return and reduction with government grant as included in profit and loss of the current period, other than those closely relating to the normal business of enterprises and subject to a fixed amount or quantity under certain standard required by national policies	**130,017,135**		109,049,458	125,810,017
Fair value profit and loss from financial assets and financial liabilities held for trading, and investment gains from disposal of financial assets and liabilities held for trading and available-for-sale financial assets except for effective portion of normal transactions qualified for hedge accounting	**514,659,035**		1,482,905,169	493,475,946
Provision for impairment of the receivables for independent impairment test	**246,914,831**		–	–
Other non-recurring items included in non-operating income and expenses	**69,887,172**		(254,130)	13,102,414
Investment income from disposal of a subsidiary	**278,015,108**		–	–
Other profit and loss items conforming to definition of non-recurring items	**(366,248,620)**		–	–
The effect of profits tax of the Company	**–**		–	171,445,285
Impact on minority interests	**(120,319,110)**		(86,639,118)	(140,599,525)
Impact on income tax	**(211,026,516)**		(348,323,224)	(166,574,123)
Total	**515,334,416**		1,117,089,037	442,810,962

3.3 Major accounting data (Prepared in accordance with IFRSs)

Unit: Yuan Currency: RMB

	2015	2014	Increase/ (decrease) (%)	2013
Revenue	**185,228,170**	198,264,175	-6.58	175,291,753
Profit before tax	**1,216,392**	3,912,372	-68.91	4,731,634
Income tax expenses	**477,741**	1,013,108	-52.84	1,100,305
Profit attributable to non-controlling shareholders	**49,095**	173	28,278.61	75,637
Profit attributable to shareholders of the Company	**689,556**	2,899,091	-76.21	3,555,692
Basic earnings per ordinary share attributable to shareholders of the Company *(RMB)*	**0.20**	0.84	-76.19	1.03
Diluted earnings per ordinary share attributable to shareholders of the Company *(RMB)*	**0.20**	0.84	-76.19	1.03
Net cash inflow from operating activities	**2,268,162**	1,739,863	30.36	4,811,952

	As at 31 December 2015	As at 31 December 2014	Increase/ (decrease) (%)	As at 31 December 2013
Total assets	**89,751,029**	95,316,269	-5.84	88,759,398
Total liabilities	**41,921,728**	48,296,105	-13.20	43,126,976
Equity attributable to shareholders of the Company	**45,902,357**	45,727,950	0.38	44,515,715
Equity per share attributable to shareholders of the Company *(RMB)*	**13.26**	13.21	0.38	12.86

3.4 Differences in accounting data between IFRSs and PRC GAAP

3.4.1 Differences in net profit and equity attributable to shareholders of the parent company in the consolidated financial report prepared under IFRSs and those under PRC GAAP

Unit: '000 Currency: RMB

	Net profit attributable to shareholders of the Company		Equity attributable to shareholders of the Company	
	2015	2014	**As at 31 December 2015**	As at 31 December 2014
Under PRC GAAP	**637,218**	2,850,649	**45,906,380**	45,733,876
Adjustments to items and amounts under IFRSs:				
Production safety fund provided under the PRC GAAP but not used during the period	**50,435**	47,301	**–**	–
Income tax effect on production safety fund	**1,903**	1,141	**(4,023)**	(5,926)
Under IFRSs	**689,556**	2,899,091	**45,902,357**	45,727,950

4 INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS

As at 31 December 2015, the interests or short positions of the shareholders, other than Directors, Supervisors and chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance ("**SFO**") were as follows:

Name of shareholder	Class of shares	Capacity	Number of shares *(Note 1)*	Approximate percentage of the number of the relevant class of shares *(%)*	Approximate percentage of total issued share capital *(%)*
Jiangxi Copper Corporation ("**JCC**")	Domestic shares	Beneficial owner	1,205,479,110(L)	58.09(L)	34.81(L)
JCC *(Note 2)*	H shares	Beneficial owner	198,135,000(L)	14.28(L)	5.72(L)

Note 1: "L"means long positions in the shares;

Note 2: 198,135,000 H shares held by JCC were registered with HKSCC Nominees Limited.

Save as disclosed above, the register required to be kept under Section 336 of SFO showed that the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 31 December 2015.

5 REMUNERATIONS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Unit: Share

Name	Position *(Note)*	Sex	Age	Commencement date of term of office	Termination date of term of office	Opening shares held	Closing shares held	Change in increase or decrease in shares during the year	Reasons for change	Total remuneration payable by the Company during the reporting period *(RMB0'000)*	Whether get remuneration from elated parties of the Company
Li Baomin	Chairman/Executive Director	Male	58	4 March 2013		0	0	/	/	63.96	No
Long Ziping	Vice Chairman/Executive Director	Male	55	14 June 2013		0	0	/	/	63.96	No
Gan Chengjiu	Executive Director/Chief financial officer	Male	53	26 June 2009		0	0	/	/	63.96	No
Liu Fangyun	Executive director	Male	50	14 June 2013		0	0	/	/	63.96	No
Shi Jialiang	Executive director	Male	69	26 June 2009		0	0	/	/	5	No
Gao Jianmin	Executive director	Male	56	24 January 1997		0	0	/	/	20	No
Liang Qing	Executive director	Male	62	12 June 2002		0	0	/	/	20	No
Qiu Guanzhou	Independent non-executive director	Male	67	11 June 2014		0	0	/	/	10	No
Zhang Weidong	Independent non-executive director	Male	53	19 June 2012		0	0	/	/	10	No
Deng Hui	Independent non-executive director	Male	44	19 June 2012		0	0	/	/	0	No
Tu Shutian	Independent non-executive director	Male	54	12 January 2015		0	0	/	/	10	No
Hu Qingwen	Chairman of the Supervisory Committee	Male	52	14 June 2013		0	0	/	/	45.92	No
Wu Jinxing	Supervisor	Male	53	26 June 2009		0	0	/	/	45.92	No
Lin Jinliang	Supervisor	Male	51	26 June 2009		0	0	/	/	45.92	No
Xie Ming	Supervisor	Male	59	26 June 2009		0	0	/	/	45.92	No
Wan Sujuan	Supervisor	Female	62	26 June 2009		0	0	/	/	5	No
Dong Jiahui	Deputy General Manager	Male	53	31 March 2009		0	0	/	/	48.92	No
Jiang Chunlin	Deputy General Manager	Male	47	25 August 2010		0	0	/	/	48.92	No
Wu Jimeng	Deputy General Manager	Male	57	22 February 2016		0	0	/	/	40.77	No
Fan Xiaoxiong	Chief Engineer	Male	53	27 October 2010	3 August 2015	0	0	/	/	20.39	No
Wu Yuneng	Deputy General Manager	Male	53	25 March 2011		0	0	/	/	48.92	No
Huang Mingjin	Deputy General Manager	Male	54	3 October 2012		0	0	/	/	48.92	No
Liu Jianghao	Deputy General Manager	Male	54	28 August 2013		0	0	/	/	48.92	No
Huang Dongfeng	Secretary to the Board	Male	57	28 August 2013		0	0	/	/	48.92	No
Tung Tat Chiu, Michael	Secretary to the Board	Male	53	24 January 1997		0	0	/	/	5	No
Total						0	0	/	/	879.20	/

6 REPORT OF THE BOARD

I. Explanation on principal business, operation mode and industry situation of the Company during the report period

(I) Principal business and operation mode of the Company

The principal business of the Company covers copper mining and dressing, smelting and processing, extraction and processing of the precious metal and scattered metal, sulfuric chemistry as well as finance and trade fields. It has formed the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related nonferrous metal fields. It is the important production base of copper, gold, silver and sulfuric chemistry. The main products of the Company include more than 50 varieties, such as copper cathodes, gold, silver, sulfuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium, bismuth, etc.

The main assets owned and controlled by the Company include:

1. Six mines under production: Dexing Copper Mine (including copper factory mining area, Fujiawu mining area and Zhushahong mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine, Dongxiang Copper Mine and Yinshan Lead-Zinc Mine.

2. Guixi Smelter, the largest blister and copper concentrate smelter and refiner in the PRC with the largest scale, most advanced technologies and best environment protection.

3. Seven modern copper products processing plants: Jiangxi Copper Products Company Limited, Guangzhou Copper Production Company Limited, Jiangxi Copper Yates Copper Foil Company Limited, Jiangxi Copper Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Pipe Company Limited, Jiangxi Copper Corporation Copper Products Company Limited and JCC North China Copper Co., Ltd..

4. Two sulphuric acid plants with advanced technology: JCC – Wengfu Chemical Company Limited and Jiangxi Copper (Dexing) Chemical Company Limited.

(II) Explanation on the industry

In 2015, the copper price has dropped significantly, with an unprecedented drop of 27.5%, and the whole nonferrous metal market is sluggish due to combined impact of appreciation of US dollar, imbalance of supply and demand and other unfavorable factors. For the global market, the price of US dollar denominated nonferrous metal was suppressed due to the impact of increase in the interest rate and appreciation of US dollar; and the whole situation of oversupply remained as a result of the overall slowdown in demand growth of nonferrous metal. For the domestic economic environmental, decreasing excess capacity and destocking is still a tough challenge for the Company in the coming period due to the slowdown in investment, excessive capacity of basic raw materials industry and high inventory level in real estate market. In addition, as a result of high debt rate and decline in profitability of entity enterprise, the capital gradually flows out from entity economy, which further influent the demand for basic materials, the recovery of nonferrous metal industry was therefore delayed.

II Analysis of core competitiveness during the reporting period

The Group has established its industry chain with core businesses such as mining, milling, smelting and processing of copper, as well as extraction and processing of sulphur chemicals, precious and rare metals after more than thirty years of development. The Group also conducts business in various areas such as finance and trading at the same time.

1. Advantages on mines. The Group places first priority to develop mines amongst its development strategy, dedicated to seeking and controlling more resources as always and raising the production volume of self-owned mines. As at the end of 2015 the Group maintained its major resources as follows:

   The Company had 100% ownership in the proven resource reserve of approximately 10,360,000 tonnes of copper metal, 331 tonnes of gold, 9,352 tonnes of silver, 237,000 tonnes of molybdenum, 100,680,000 tonnes of sulphur. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company (based on its equity percentage) were approximately 4,790,000 tonnes of copper and 42.4 tonnes of gold.

2. Advantages in industry scale. The Group is the largest domestic producer of copper concentrate, among which, Dexing Copper Mine is the largest copper mine, with an annual output of about 210,000 tons of copper in copper concentrates; the Group's existing copper cathode production capacity was over 1.2 million tons/year, and Guixi Smelter is among the world's single largest copper smelter; the Group is also the largest copper producer, processing over 900,000 tons of copper related products per year.

3. Advantages on technology and talents. The Group possessed industry-leading copper smelting and mine development technologies. After years of accumulation, the Group has reserved abundant mines and talents specialized in smelting and equipped with ability and advantages for reproducing and operating similar mines or for expanding the smelting enterprises.

4. Advantages on brand. The Group operates with a complete industry chain of mining, milling, smelting and processing. Being larger in scale and better in reputation, the Company's consolidated strength and profitability have enabled it to be positioned in a leading position of top 500 enterprises in China and top 500 in the manufacturing industry in China for consecutive years. The Company could gain recognition, trust, support and aid from various sectors of the society, with relatively strong capability to resist risks.

III. Management Discussion and Analysis

(I) Management Discussion and Analysis

In the reporting period, the world economic recovery was slow, the trend of the advanced economies was differentiated and the speedup of the emerging economies was slowed. Chinese economy was downward under a pressure-bearing state, its real economy developed difficultly and business operation risk also sharply increased. Under the leadership of the Board of the Company and the endeavor made by all staff, the Group consistently adhered to the development principle of "advancing with stable improvement and transforming with continuous innovation". As such, we overcame various difficulties and accomplished the annual production and operation plan smoothly through cost reduction, risk control and reform intensification as well as other measures.

In respect of industrial production, various production indexes continuously achieved optimal scores by carrying forward benchmarking management by the Group: in the 16 smelting indexes of Guixis melting plant, 15 smelting indexes reached the highest level in history and 6 smelting indexes reached the world advanced level or the first level, and meanwhile, 9 mineral separation key indexes of Dexing Copper Plant reached the highest level in history, therefore creating substantial economic benefit for the Group while strengthening its position in industry. In 2015, the Group totally produced 1,250,000 tons of cathode copper and stably promoted the output. Under the effect of scientific planning and precision management, all the copper mines of the Group fully exerted the capacities of the copper mines. 209,000 tons of copper concentrates containing copper, basically the same as last year, were totally produced in the whole year. All the copper processing enterprises of the Group are stable in production. First-level and second-level product rate of copper rods and comprehensive yield of copper pipes are both maintained at high level.

In respect of cost control, to cope with severe market situation, the Group has taken a series of cost reduction measures and has achieved excellent effects. The Group has saved merchant transportation fee, RMB36,000,000, in the whole year, by merchant transportation mode and further rationalizing the links, such as, customs, commodity inspection, port, railway, and the like. The Group grasped the opportunity of continuous PPI descending and dynamically adjusted the purchase policy, therefore reducing the purchase cost and market price by 4.8% Year on year. The Group always insists in running business on the basis of hardworking and thrifty principle and strictly controls the running expenses, therefore reducing the controllable management fees, such as, conference expense, travel expense, and the like, by 20.7% year on year.

In respect of management innovation, the Group gave great impetus to comprehensive budget management and created a budget system with subdivide pointer and clear rights and liabilities for the pilot units, therefore effectively reducing the production cost of enterprise. The Group systemically optimized the material purchase business, commercial sale business and financial accounting business and built a production and operation management information platform, therefore realizing the comprehensive online of cooperative office system and continuously promoting the information management level.

In respect of risk control, in the face of bad market conditions, the Group focused on the boosting for the construction of internal control system and the strengthening for the comprehensive risk management. Besides, the Group revised and perfected series documents, such as, 'perfecting scheme for internal control system', as well as the internal control on eight management processes, such as, purchase, sale, contract, capital activity, and the like. Complete legal organization and institutions, creative legal management concept and legal risk prevention system based on beforehand prevention, in-process control and afterward remedy have been further perfected. The business risk prevention and control were reinforced; the marketing mode for copper products was adjusted and the receivable credit scale was strictly controlled.

In respect of safety and environmental protection, the Group strongly and effectively promoted the construction for 'hidden-danger checking and solving system', and the safety production situation was kept stable in the whole year. The Group put forth effort to comprehensively boost the safe standard work and carried out the establishment for safety standardized review and safety standard of mineral separation factory. Meanwhile, the Group continuously reinforced the construction for environmental monitoring capacity, strictly recorded the monitor data and has achieved effective management and control.

(II) Major business conditions during the report period

In the report period, facing too tough economic conditions, the Group always put production in the first place, therefore smoothly achieving the production target made at the beginning of the year. Produced 209,000 tons of copper concentrates containing copper, basically the same as last year; produced 1,250,000 tons of cathode copper, which is 50,000 tons more than the cathode copper produced in the last year; produced 26 tons of gold and 570 tons of silver, basically the same as last year; produced 950,000 tons of various copper products, which are 90,000 tons more than the copper products produced in the last year; produced 3,070,000 tons of sulfuric acids and 2,510,000 tons of sulfur concentrates, basically the same as last year; furthermore, produced 6,906 tons of standard molybdenum concentrates (average grade at 45%), 2,761kg ammonium perrhenate, 55 tons of refined tellurium and 658 tons of refined bismuth.

According to the unaudited consolidated financial statement in 2015, which was prepared in compliance with PRC Accounting Standards,the consolidated operating revenue of the Group amounted to RMB185,782,491,341 (2014: RMB198,833,486,017), representing a year-on-year decrease of RMB13,050,994,676 or -6.56%; The Group recorded the net profits attributable to shareholders of the parent company of RMB637,218,130 (2014: RMB2,850,649,245), representing a decrease of RMB2,213,431,115 or -77.65%, as compared to last year. The earnings per share reached RMB0.18 (2014: RMB0.82), representing a decrease of RMB0.64 or -78.05% as compared to last year

(III) Analysis of principal businesses (prepared in accordance with PRC GAAP)

Table of movement analysis for the related items in income statement and cash flow statement

Unit: Yuan Currency: RMB

Items	For the period	For the same period last year	Changes *(%)*
Operating revenue	**185,782,491,341**	198,833,486,017	-6.56
Operating cost	**181,478,225,317**	192,224,685,633	-5.59
Selling and distribution expenses	**515,355,849**	547,006,816	-5.79
Administrative expenses	**2,026,445,194**	1,846,404,988	9.75
Finance costs	**533,712,434**	-5,571,471	-9,679.38
Net Cash Flow from operating activities	**1,902,023,306**	1,735,447,985	9.60
Net Cash Flow from investment activities	**-794,954,150**	-2,999,813,269	-73.50
Net Cash Flow from financing activities	**-3,937,996,211**	973,885,835	-504.36
Expenses on research and development	**1,713,938,000**	2,326,130,110	-26.32

1. *Analysis on income and cost*

(1) Principal businesses by industry, by product and by geographical location

Unit: Yuan Currency: RMB

Principal businesses by industry

By industry	Operating revenue	Operating cost	Gross profit margin *(%)*	Increase/decrease in operating revenue over last year *(%)*	Increase/decrease in operating cost over last year *(%)*	Increase/decrease in gross profit margin over last year *(%)*
Manufacturing of non-ferrous metals	57,927,745,122	53,938,491,710	6.89%	-16.95%	-14.40%	-28.69%
Trade	127,136,100,925	126,869,685,204	0.21%	-0.67%	-1.04%	229.87%

Principal businesses by product

By product	Operating revenue	Operating cost	Gross profit margin *(%)*	Increase/decrease in operating revenue over last year *(%)*	Increase/decrease in operating cost over last year *(%)*	Increase/decrease in gross profit margin over last year *(%)*
Copper cathodes	113,156,062,769	111,735,266,870	1.26%	-3.50%	-2.77%	-37.16%
Copper rods and wires	38,126,940,385	36,935,418,203	3.13%	-17.26%	-14.64%	-48.76%
Copper processing products	3,079,239,004	3,047,830,766	1.02%	-40.63%	-40.76%	25.19%
Gold	6,154,781,259	5,762,729,183	6.37%	-16.18%	-17.74%	38.53%
Silver	2,816,113,728	2,703,836,377	3.99%	6.62%	6.61%	0.14%
Chemical products	1,348,034,879	1,077,079,868	20.10%	-2.51%	1.32%	-13.06%
Rare metals and other non-ferrous metals	17,890,198,750	17,161,215,311	4.07%	15.06%	13.81%	34.79%
Others	2,492,475,273	2,384,800,336	4.32%	8.67%	8.77%	-1.97%

Principal businesses by geographical location

By geographical location	Operating revenue	Operating cost	Gross profit margin *(%)*	Increase/decrease in operating revenue over last year *(%)*	Increase/decrease in operating cost over last year *(%)*	Increase/decrease in gross profit margin over last year *(%)*
Mainland China	165,251,322,103	161,091,231,666	2.52%	-4.58%	-4.06%	-17.44%
Hong Kong	11,181,744,059	11,138,792,759	0.38%	14.94%	21.83%	-93.62%
Others	8,630,779,885	8,578,152,489	0.61%	-41.81%	-39.46%	-86.36%
Total	185,063,846,047	180,808,176,914	2.30%	-6.41%	-5.44%	-30.36%

Explanation on principal businesses by industry, by product and by geographical location

1) Copper cathode

During the reporting period, due to the significant decrease in the copper price globally, the operating revenue from copper cathodes decreased by RMB4,109.68 million (or -3.50%) as compared with the same period of last year; the operating cost decreased by RMB3,187.34 million (or -2.77%) as compared with the same period of last year; the gross profit decreased by RMB922.34 million or (-39.36%) as compared with the same period of last year; and the gross profit margin decreased to 1.26% in this period from 2% in the same period of last year.

2) Copper rods and wire

During the reporting period, due to the significant decrease in the copper rods and wire price, the operating revenue from copper rod and wire decreased by RMB7,952.89 million (or -17.26%) as compared with the same period of last year; the operating cost decreased by RMB6,333.86 million (or -14.64%) as compared with the same period of last year; the gross profit decreased by RMB1,619.03 million (or -57.61%) as compared with the same period of last year; and the gross profit margin decreased to 3.13% in this period from 6.10% in the same period of last year.

3) Copper processing products other than copper rod and wire

During the reporting period, due to the decrease in the copper processing product price, the operating revenue from processed copper products other than copper rod during the period decreased by RMB2,107.66 million (or -40.63%) as compared with the same period of last year while the operating cost decreased by RMB2,096.81 million (or -40.76%) as compared with the same period of last year; the gross profit decreased by RMB10.85 million (or -25.68%) as compared with the same period of last year while the gross profit margin increased to 1.02% in this period from 0.81% in the same period of last year.

4) Gold

During the reporting period, operating revenue of gold decreased by RMB1,188.27 million (or -16.18%) as compared with last year due to the decrease in selling price. Operating costs decreased by RMB1,242.68 million (or -17.74%) as compared with last year. Gross profit of gold increased by RMB54.42 million (or 16.12%) as compared with last year while gross profit margin increased from 4.60% last year to 6.37% for the year due to the decrease amount of operating costs is large than that of operating revenue.

5) Silver

During the reporting period, due to increase in the sales volume of silver, the operating revenue from silver increased by RMB178.84 million (or 6.62%) as compared with the same period of last year while the operating cost increased by RMB167.72 million (or 6.61%) as compared with the same period of last year; the gross profit increased by RMB7.12 million (or 6.77%) as compared with the same period of last year and the gross profit margin increased to 3.99% in this period from 3.98% in the same period of last year.

(2) Analysis table for output and sales

Major products	**Output**	**Sales**	**Stock**	**Output Increased (reduced) Year on year** *(%)*	**Sales Increased (reduced) Year on year** *(%)*	**Stock Increased (reduced) Year on year** *(%)*
Cathode copper (ton)	1,258,517	1,275,427	12,198	-1.74%	-1.45%	-58.09%
Gold(kg)	26,115	25,885	335	-1.86%	-1.82%	218.25%
Silver(kg)	570,818	569,844	6,386	0.70%	0.66%	17.99%
Sulfuric acids (ton)	3,077,969	3,077,322	35,589	0.64%	-2.56%	1.85%

Explanation on output and sales

(3) Analysis on costs

Unit: Yuan

By industry

By industry	Cost constituent	For the period	Share of total costs for the period (%)	For the same period last year	Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
Manufacturing of non-ferrous metals	Raw materials	**44,924,284,422**	**24.84**	53,361,988,015	27.91	-15.81	
	Energy power	**2,072,201,478**	**1.15**	2,114,200,134	1.11	-1.99	
	Labour	**1,119,323,037**	**0.62**	990,551,178	0.52	13.00	
	Overheads	**4,337,679,214**	**2.40**	4,139,322,171	2.16	4.79	
	Sub-total	**52,453,488,151**	**29.01**	60,606,061,498	31.70	-13.45	
	Trading of non-ferrous metals and others	**128,354,688,763**	**70.99**	130,606,102,666	68.30	-1.72	
	Total	**180,808,176,914**	**100.00**	191,212,164,164	100.00	-5.44	

By product

By product	Cost constituent	For the period	Share of total costs for the period (%)	For the same period last year	Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
Cooper product	Raw materials	**37,378,439,081**	**84.71**	44,985,597,179	87.34	-16.91	
	Energy power	**1,888,329,186**	**4.28**	1,936,798,306	3.76	-2.50	
	Labour	**967,177,643**	**2.19**	859,192,625	1.67	12.57	
	Overheads	**3,893,777,982**	**8.82**	3,721,877,652	7.23	4.62	
	Sub-total	**44,127,723,892**	**100.00**	51,503,465,762	100.00	-14.32	

Unit: Yuan

By product	Cost constituent	For the period	Share of total costs for the period (%)	For the same period last year	Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
By-products of precious metals	Raw materials	**7,098,853,540**	**99.06**	7,860,927,843	99.22	-9.69	
	Energy power	**4,358,432**	**0.06**	4,602,471	0.06	-5.30	
	Labour	**16,448,910**	**0.23**	14,161,460	0.18	16.15	
	Overheads	**46,552,813**	**0.65**	43,119,748	0.54	7.96	
	Sub-total	**7,166,213,695**	**100.00**	7,922,811,522	100.00	-9.55	
Chemical products	Raw materials	**423,959,807**	**38.10**	427,674,333	41.88	-0.87	
	Energy power	**175,927,415**	**15.81**	164,801,152	16.14	6.75	
	Labour	**128,284,027**	**11.53**	101,103,299	9.90	26.88	
	Overheads	**384,520,654**	**34.56**	327,684,693	32.09	17.34	
	Sub-total	**1,112,691,903**	**100.00**	1,021,263,477	100.00	8.95	
Rare metals	Raw materials	**23,031,994**	**49.15**	87,788,660	55.38	-73.76	
	Energy power	**3,586,445**	**7.65**	7,998,205	5.05	-55.16	
	Labour	**7,412,457**	**15.82**	16,093,794	10.15	-53.94	
	Overheads	**12,827,765**	**27.38**	46,640,078	29.42	-72.50	
	Sub-total	**46,858,661**	**100.00**	158,520,737	100.00	-70.44	
Trading and others		**128,354,688,763**		130,606,102,666		-1.72	
	Total	**180,808,176,914**		191,212,164,164		-5.44	

Explanation of other situations of analysis on costs

2. Expense

Unit: Yuan Currency: RMB

Item	For the period ended	For the same period last year	Increase/ (decrease) over the same period last year (%)	Reasons for the changes
Selling and distribution expenses	**515,355,849**	547,006,816	-5.79%	The reduction in the export volume of cathode copper of the company is resulted from the decreasing in export fees.
Administrative expenses	**2,026,445,194**	1,846,404,988	9.75%	The major reason is addition of the enterprise annuity plan.
Finance costs	**533,712,434**	-5,571,471	9,679.38%	Under the influence of RMB currency fluctuation in international market, exchange loss floating is obvious.

3. R&D investment

R&D investment table

Unit: RMB

Expenditure R&D investment in current period	1,256,611,000
Capitalization R&D investment in current period	457,327,000
Sum of R&D investment	1,713,938,000
Percentage (%) of sum of R&D investment in operation income	0.92
Number of R&D personnel in the company	653
Percentage (%) of number of R&D personnel in total amount of company staff	3.1
Proportion of R&D investment capitalization	26.68

Explanation

During the report period, for the purpose of promoting the capability of independent innovation, the Group specifically developed a series of R&D projects around production and construction center tasks and carried out the work according to the practical conditions of the company.

The R&D projects of the Group contained a complete industry chain (exploration, selection and purchase, smelting and processing) and were specifically invested in environmental protection, resource regeneration, and the like. In the reporting period, the Group reported three projects, namely, 2015 national scientific and technological progress award 'large-scale opening metal mine safe and efficient mining key technique and application', 'copper electrolysis technical innovation project' and national technological invention award 'complex difficulty-processed resource controllable pressurizing leaching technique'. Besides, the company also performed industrialization research on the projects, such as, 'research on vertical mill filling medium replacement', 'research on optimization for black copper sludge processing technique', 'research on comprehensive utilization technique for high magnesium copper concentrate', 'research on new technology for Dexing copper fine copper-molybdenum separation', 'research on high-stability and low-cost filling mining complete technique', and the like.

The abovementioned research and development projects were well under progress, missions and indicators of research in some of the projects have been delivered. Meanwhile, the Group applied patent certificates for some scientific research projects. The Group believes that the continuous implementation of research and development projects will underpin positive development and the fostering of new growth engine.

4. *Cash Flow*

Unit: 0'000 Currency: RMB

Item	**For the year**	**For the same period last year**	**Changes** *(%)*
Net cash flow from operating activities	**190,202**	173,545	9.60
Net cash flow from investing activities	**-79,495**	-299,981	-73.50
Net cash flow from financing activities	**-393,800**	97,389	-504.36

(1) The reason for change in cash flow generated in business activities: compared with last year, RMB167,000,000 of net cash inflow is reduced in this year, mainly attributable to the reduction of funds occupied by stock.

(2) The reason for change in cash flow generated in investment activities: compared with last year, this year saw an increase of RMB2,205,000,000, mainly attributable to the new establishment of subsidiaries for the year and cash received from the disposal of subsidiaries and decrease in net cash inflow of investment.

(3) The reason for change in cash flow generated in financial activities: compared with last year, RMB4,912,000,000 of net cash outflow is increased in this year, attributed to the increase of cash paid for credit repayment.

(II) Statement for significant profit change resulted from non-major businesses

☐ Applicable ☑ Not applicable

IV. Analysis of assets and liabilities

Item	As at the end of the period	Share of total assets (or liabilities) as at the end of the period (%)	As at the end of the previous period	Share of total assets (or liabilities) as at the end of the previous period (%)	Changes as at the end of the period over the end of the previous period (%)	Explanation
Financial assets at fair value through profit or loss	**771,946,511**	**0.86%**	399,043,432	0.42%	93.45%	*Note 1*
Notes receivable	**3,172,899,600**	**3.54%**	6,939,014,175	7.28%	-54.27%	*Note 2*
Factoring receivables	**1,386,701,367**	**1.54%**	884,839,337	0.93%	56.72%	*Note 3*
Interest receivable	**131,497,715**	**0.15%**	261,666,696	0.27%	-49.75%	*Note 4*
Available-for-sale financial assets	**3,647,749,276**	**4.06%**	2,331,529,427	2.45%	56.45%	*Note 5*
Other current assets	**3,043,080,773**	**3.39%**	2,240,637,098	2.35%	35.81%	*Note 6*
Intangible assets	**2,389,365,046**	**2.66%**	1,763,800,213	1.85%	35.47%	*Note 7*
Deferred tax assets	**922,887,544**	**1.03%**	690,058,974	0.72%	33.74%	*Note 8*
Other non-current assets	**348,689,549**	**0.39%**	174,840,436	0.18%	99.43%	*Note 9*
Notes payable	**4,288,351,629**	**4.78%**	599,614,882	0.63%	615.18%	*Note 10*
Accounts payable	**4,286,669,816**	**4.78%**	10,348,876,786	10.86%	-58.58%	*Note 10*
Tax payable	**521,988,361**	**0.58%**	1,002,018,191	1.05%	-47.91%	*Note 11*
Non-current liabilities due within one year	**7,498,998,709**	**8.35%**	37,732,896	0.04%	19773.90%	*Note 12*
Other current liabilities	**2,128,864,670**	**2.37%**	1,051,170,677	1.10%	102.52%	*Note 13*
Long-term borrowings	**347,600,000**	**0.39%**	680,454,179	0.71%	-48.92%	*Note 14*
Contingent liabilities	**165,695,414**	**0.18%**	122,465,354	0.13%	35.30%	*Note 15*
Deferred income	**634,158,495**	**0.71%**	472,977,494	0.50%	34.08%	*Note 16*
Other comprehensive income	**-119,607,144**	**-0.13%**	-297,731,000	-0.31%	-59.83%	*Note 17*
Non-controlling interests	**1,927,102,062**	**2.15%**	1,292,390,425	1.36%	49.11%	*Note 18*
Bonds payable	**0**	**0**	6,246,297,174	6.55%	–100%	*Note 19*

Other explanations

Note 1: As at the end of the reporting period, the financial assets at fair value through profit or loss of the Group amounted to RMB771.95 million, representing an increase of RMB372.90 million (or 93.45%) over the same period last year, which was mainly attributable to the increase in additional currency fund investment and a large number of irrevocable priced sales agreements held by the Group.

Note 2: As at the end of the reporting period, the notes receivable of the Group amounted to RMB3,172.90 million, representing a decrease of RMB3,766.11 million (or -54.27%) over the same period last year, mainly due to the decrease in the operating revenue during the year.

Note 3: As at the end of the reporting period, the factoring business receivables of the Group amounted to RMB1,386.70 million, representing an increase of RMB501.86 million (or 56.72%) over the same period last year, mainly attributable to the increase in the items of factoring receivables.

Note 4: As at the end of the reporting period, the interest receivable of the Group amounted to RMB131.5 million, representing a decrease of RMB130.17 million (or -49.75%) over the same period last year, which was mainly attributable to the decrease in deposit rate during the year.

Note 5: As at the end of the reporting period, the available-for-sale financial assets of the Group amounted to RMB3,647.75 million, representing an increase of RMB1,316.22 million (or 56.45%) over the same period last year, mainly attributable to the increase in the available-for-sale equity instruments and assets management plan during the year.

Note 6: As at the end of the reporting period, the other current assets of the Group amounted to RMB3,043.08 million, representing an increase of RMB802.44 million (or 35.81%) over the same period last year, which was mainly attributable to the increase in the input VAT pending for set-off during the year.

Note 7: As at the end of the reporting period, the intangible assets of the Group amounted to RMB2,389.37 million, representing an increase of RMB625.56 million (or 35.47%) over the same period last year, mainly attributable to the increase in the cost of consolidation of land use right and exploration and evaluation not under the common control during the year.

Note 8: As at the end of the reporting period, the deferred tax assets of the Group amounted to RMB922.89 million, representing an increase of RMB232.83 million (or 33.74%) over the same period last year, mainly attributable to the increase in impairment of assets.

Note 9: As at the end of the reporting period, the other non-current assets of the Group amounted to RMB348.69 million, representing an increase of RMB173.85 million (or 99.43%) over the same period last year, which was mainly attributable to the increase in the prepaid engineering equipment payments during the year.

Note 10: As at the end of the reporting period, the accounts payable of the Group amounted to RMB8,575.02 million, representing a decrease of RMB2,373.47 million (or -21.68%) over the same period last year, which was mainly attributable to the drop in copper price.

Note 11: As at the end of the reporting period, the tax payable of the Group amounted to RMB521.99 million, representing a decrease of RMB480.03 million (or -47.91%) over the same period last year, which was mainly attributable to the decrease in the taxable profit during the year.

Note 12: As at the end of the reporting period, the non-current liabilities due within one year of the Group amounted to RMB7,499.00 million, representing an increase of RMB7,461.27 million (or 19,743.9%) over the same period last year, mainly due to that the 08 Jiangxi Copper Bonds would be due in September 2016 which was transferred from bonds payable to the non-current liabilities due within one year.

Note 13: As at the end of the reporting period, the other current liabilities of the Group amounted to RMB2,128.86 million, representing an increase of RMB1,077.69 million (or 102.52%) over the same period last year, which was mainly attributable to the increase in deposit-taking during the year.

Note 14: As at the end of the reporting period, the long-term borrowings of the Group amounted to RMB347.60 million, representing a decrease of RMB332.85 million (or -48.92%) over the same period last year, which was mainly attributable to the certain loans turning into liabilities due within one year.

Note 15: As at the end of the reporting period, the provisional debts of the Group amounted to RMB165.7 million, representing an increase of RMB43.23 million (or 35.3%) over the same period last year, which was mainly attributable to the increase in the environmental management expenses during the year.

Note 16: As at the end of the reporting period, the deferred income of the Group amounted to RMB634.16 million, representing an increase of RMB161.18 million (or 34.08%) over the same period last year, which was mainly attributable to the increase in the assets-related government grants during the year.

Note 17: As at the end of the reporting period, the other comprehensive revenue of the Group amounted to RMB-119.61 million, representing an increase of RMB178.12 million (or 59.83%) over the same period last year, which was mainly attributable to the changes in the revenue from cash flow hedges and in the exchange differences of foreign currency statement during the year.

Note 18: As at the end of the reporting period, the non-controlling interests of the Group amounted to RMB1,927.10 million, representing an increase of RMB634.71 million (or 49.11%) over the same period last year, which was mainly attributable to the consolidated subsidiary Zhejiang Jiangtong Fuye Heding Copper Co., Ltd. and the changes in the increase in other non-controlling interests.

Note 19: As at the end of the reporting period, the bonds payable of the Group amounted to RMB0, representing a decrease of RMB6,246.29 million (or -100%) over the same period last year, which was mainly attributable to the bonds payable turning into liabilities due within one year.

V. Discussion and analysis by the Directors concerning the future development of the Company

(I) Competition within the industry and the trend of development

In the past decade, emerging economies, especially the urbanization and industrialization of China have promoted the rapid growth of global copper consumption, while the overflow of mobility of global quantitative easing and expectation of market inflation, as well as the rise in the costs of copper mining, smelting and labor, making the copper price rises overally in a fluctuation manner. The continuously high copper price has stimulated the new construction, renovation and expansion of global copper mines since 2006, leading to the surplus of global supply of copper concentrate since 2013; as new capacity will accelerate to be released in the next few years, the surplus of copper concentrate will be intensified further. While in the other aspect, affected by the adequate supply of copper, the process cost of copper smelting is in increase, the operation situations of smelting enterprises are being improved, but the weak demand, structural surplus and severe competition under the impact of macroeconomic will be the "new normal" of the non-ferrous metal industry, and the future of the Company's development process will be full of challenges. It is expected that the continuous slump in the industry will accelerate merger and reorganization between enterprises and the "going out" pace of China's advanced domestic companies will further speed up.

In 2016, both the domestic and international economic situations will be more complex and rough, and the downward economic pressure is increasing. The national strategies of "The Thirteenth Five-Year Plan", "The Belt and Road", Beijing-Tianjin-Hebei Integration, the Construction of the Yangtze River Economic Belt, and the launch of a series of measures for steady growth will expanse a new development space for the non-ferrous metal industry, create new power for development, but the global economy will remain weak, and the demand on the non-ferrous metal product market is difficult to see significant increase. And on the supply aspect, the International Copper Study Group (ICSG) estimated that the global copper production would reach to 24.2 million tons in 2016, with a YoY growth of 6.31%, which will be the highest increase in 5 years, among which, the copper concentrate production capacity will increase 1.1 million tons, amounting to 19 million tons. Weaker consumption and stronger supply are bound to suppress the copper price. It is estimated in 2016 the non-ferrous metal prices will fluctuate slightly, the increase of production capacity of domestic non-ferrous metal products and the growth in fixed asset investment etc. will slow down further, and the industry still face with large uncertainties. The steady growth, structure adjustment, acceleration of supply reform, production capacity reduction, deleverage, make-up of disadvantages, acceleration of industry transition and upgrading, decrease in cost and increase in efficiency will be the management focuses of the non-ferrous metal industry in 2016.

(II) The development strategy of the Company

Adhering to the strategy of "to develop mines, to consolidate smelting, to improve refining and to diversify into related sectors", targeting at strategic objectives and being guided by the global and international standard for resources and operation, the Company will continue to carry out a comprehensive reform, remove the "roadblocks" to development, increase operation and management level and strengthen inventory assets in terms of internal measures. For external measures, it will reinforce investment development mainly by M&A and partly by new establishments, continue to expand its scale, adjust its structure, optimize its layout and enrich its assets. Through the said internal and external measures, the Company will make breakthroughs in development and turn a new page for the Company's development.

(III) Business plan

The Group has completed or outperformed the series of production plans prepared in early 2015.

In 2016, the Company's main production and operation plan is: Cathode copper of 1.175 million tons, gold of 25 tons, silver of 530 tons, sulfur acid of 3.43 million tons, copper contained in copper concentrate of 207,000 tons, and copper rod, wire and other copper processing products of 1 million tons. The Group will timely adjust the plan based on the changes in market conditions.

To realize the above plan, in 2016, the Group will primarily exert efforts in the following aspects:

1. Promote the merger and reconstructing and speed up to realize the transnational business. Actively integrate into the national resource strategy and "One Belt One Road", and accelerate the pace of "going out", enhance the international level. Establish a marketization and internationalization management system and strive to building an international talent team, seize the change of industry cycle to make counter cyclical investment and low cost expansion; strengthen the cooperation with international mining company, implement mergers, acquisitions and development of overseas resources and cooperation of production capacity.

2. Promote the industrial convergence development, and promote the transformation and upgrading of the Company. Actively integrate Internet+, intelligent manufacturing, and promote the combination of scale production and customizing with specific characters, speed up the transition to modern manufacturing enterprise. Stick to benefit as guide to push the industry chain to extend at both ends, with equity as link, gradually establish an industry pattern cross-cycle and cross-industry development, and realize the transformation to a comprehensive mining company. Continue to research and extend the new operation models such as "mining + finance", "mining + trade", improve the management ability of supply chain of Jiangxi Copper, realizing the transformation to the internationalization of large companies complete with supply chain management.

3. Specify new business innovation and improve the profitability. Strengthen the comprehensive budget management, deeply explore the cost space. Standardize the business and innovation, strengthen market management, take the initiative to adapt to market changes, and take a number of powerful measures to create a better efficiency in various areas and each link of the company.

4. Comprehensively deepen reform, and release dividends to booster development. Further perfect the corporate governance structure, strengthen the position of main market competitors. Through exploration reforms such as organization architecture, operation mechanism, operation mode, on the basis of the existing business, further optimize the company management architecture, and improve management efficiency rate.

5. Speed up the innovation-driven development, strengthen the industry leading advantages. By implementing innovation drive, unceasingly borrow the advanced experience of domestic and foreign scientific research innovation, deepen reform of scientific research innovation system, improve the independent innovation ability, promote the transition from company of technology applied to the technology invented enterprises. Actively develop the recycle of iron tailings of Dexing copper mine, comprehensive utilize the technology research of high magnesium copper concentrate, research of new technology of micro fine grained copper molybdenum separation, optimize research of black copper mud treatment process, and study on replacement of filling medium of vertical grinding machine.

6. Grasp the green development principle, build a harmonious ecological Jiangxi Copper. Adapt to the new state of strict state environmental protection and heavy task of energy conservation and emissions reduction, adhere to the green development. Through technology, equipment upgrading, to reduce pollutants discharge, consolidate the accomplishment of construction of "green mine" and "factory of beautiful environment", continue to improve the company environmental protection level. Forcefully develop circular economy, strengthen the energy conservation and emission reduction and comprehensive use of resources, by increasing investment and technology innovation, improve the comprehensive recycling rate and level of low grade ore resources, resources difficult to explore and select as well as valuable associated resources and tailings resources.

(IV) Potential risks

1. The risk of downward prices of copper

In 2015, the Group planned to produce 209,000 tonnes of copper contained in copper concentrate in total. For every decrease of RMB1,000 in the copper prices, the profits from the self-produced mines of the Company will be decreased by RMB200 million (before tax) and the equivalent EPS before tax will decrease by approximately RMB0.06 per share.

The Company has been pursuing a positive and prudent hedging policy for years. With an aim to delivering the operating target, the Company provided hedging for the self-produced raw materials according to the prices range, and outsourced raw materials with an aim to locking the processing fee, so as to shelter from the risk generated from fluctuations in the copper prices.

2, Risk from economic structure transformation

In 2016, the Chinese economy is still under structural adjustment and economic benefit of traditional manufacturing industry is further differentiated, resulting apparent differences of solvency of downstream enterprises and further increase in credit risks of enterprises.

3. Risks from increase of smelting capacity

In the next few years, as the release of production capacity of globally established new mines, the supply of copper concentrate will remain plentiful, and high smelting processing charge will attract more investments to transfer to the smelting industry, and fierce competition will curb the melting industry's healthy development; and meanwhile, the global macro economy slowdown will lead to slow copper consumption growth, and the risk of copper smelting industry will increase further.

7 SIGNIFICANT EVENTS

7.1 Model code for directors engaged in securities trading

Within the reporting period, the Company has adopted the Model Code for Securities Trading for Listed Issuers Directors ("**Model Code**") contained in Appendix 10 of the Rule Governing the Listing of Securities ("**Listing Rules**") on the Stock Exchange of Hong Kong Limited ("**SEHK**"). Based on special enquiries to all of its directors and supervisors, the Company confirms that the directors and supervisors have fully complied with the rules as set out in the Model Code.

7.2 Code on Corporate Governance Practices

The Company strives to maintain and establish quality corporate governance.

To the knowledge of the Board, during the reporting period, the Company has been in full compliance with all the code provisions under the Corporate Governance Code (the "**Code**") as set out in Appendix 14 to the Listing Rules, with the exception of the following deviations:

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

During the reporting period, due to business engagement, the Chairman did not attend the annual general meeting of the Company held on 9 June 2015 ("**2014 AGM**") as required under code provision E.1.2 of the Code. Instead, Mr. Gen Yongcheng, a Director of the Company, was delegated by the Chairman and was elected at the 2014 AGM to act as the chairman of the AGM. In addition, the chairman of nomination committee did not attend or appoint delegates to attend the 2014 AGM pursuant to code provision E.1.2 of the Code. Instead, the chairman of the nomination committee were well informed by the Company in advance of the date and time of the 2014 AGM and were made available to answer questions raised at the 2014 AGM by telephone.

7.3 Purchase, sale or redemption of the Company's listed securities

During the reporting period, the Company has not redeemed any of its listed securities. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the reporting period.

7.4 Information on payment of final dividend

Withholding of Enterprise Income Tax for Non-resident Enterprise Shareholders

Pursuant to the "Enterprise Income Tax Law of the PRC" and the relevant implementing rules which came into effect on 1 January 2008 and the "Notice of the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which are Overseas non-resident Enterprises" issued by the State Administration of Taxation on 6 November 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H share register of members of the Company. Any shares registered in the names of non-individual registered shareholders (including HKSCC Nominees Limited, other corporate nominees, trustees or other entities and organisations) will be treated as being held by non-resident enterprise shareholder and will therefore be subject to the withholding of the enterprise income tax.

Withholding of Personal Income Tax for Individual H Shareholders

Pursuant to the State Administration of Taxation Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) dated 28 June 2011, and the letter entitled" Tax arrangements on dividends paid to Hong Kong residents by Mainland companies" dated 4 July 2011 issued by the Stock Exchange, the Company is required to withhold and pay the individual income tax in respect of the 2015 final dividends paid to the individual H Shareholders (the "**Individual H Shareholders**"), as a withholding agent on behalf of the same. However, the Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the Individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). For non-resident enterprise holders of H Shares, the Company will withhold 10% of the dividend as enterprise income tax according to the relevant tax regulations in line with its previous practice

The Board hereby recommends the distribution of final dividends of RMB0.1 per share (tax inclusive) for the year ended 31 December 2015 (2014: RMB0.2 per share), subject to the approval at the forthcoming 2015 annual general meeting. The date of the closure of register of members for share transfer and the dividend record date for the determination of the eligibility of shareholders for attending the 2015 annual general meeting and for receiving the recommended final dividends as well as the payment date for the above final dividends will be announced in due course.

Should the holders of H Shares of the Company have any doubts in relation to the aforesaid arrangements, they are recommended to consult their tax advisors regarding the relevant tax impacts in mainland China, Hong Kong and other countries (regions) on the possession and disposal of H Shares of the Company.

8 FINANCIAL REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	**2015** **RMB'000**	2014 *RMB'000*
Revenue	3	**185,228,170**	198,264,175
Cost of sales		**(181,453,624)**	(192,542,742)
Gross profit		**3,774,546**	5,721,433
Other income	4	**1,125,617**	1,085,688
Other gains and losses	5	**77,729**	482,026
Selling and distribution expenses		**(515,356)**	(547,007)
Administrative expenses		**(2,040,539)**	(1,876,310)
Finance costs	6	**(923,327)**	(977,405)
Share of results of joint ventures		**(39,266)**	(22,248)
Share of results of associates		**(243,012)**	46,195
Profit before taxation		**1,216,392**	3,912,372
Taxation	7	**(477,741)**	(1,013,108)
Profit for the year	8	**738,651**	2,899,264

	NOTE	2015 RMB'000	2014 RMB'000
Other comprehensive income (expense)			
Items that may be subsequently reclassified to profit or loss:			
Fair value change on hedging instruments designated in cash flow hedges		**255,353**	111,190
Reclassification adjustments relating to transfer of cash flow hedges		**(295,438)**	(66,826)
Fair value change on available-for-sale investments		**1,764**	81
Share of exchange differences of associates		**165,272**	8,743
Share of exchange differences of joint ventures		**2,917**	(9,833)
Exchange differences arising on translation		**44,105**	6,732
Income tax relating to components of other comprehensive income		**6,182**	(5,473)
Other comprehensive income for the year (net of tax)		**180,155**	44,614
Total comprehensive income for the year		**918,806**	2,943,878
Profit for the year attributable to:			
Owners of the Company		**689,556**	2,899,091
Non-controlling interests		**49,095**	173
		738,651	2,899,264
Total comprehensive income attributable to:			
Owners of the Company		**867,680**	2,943,600
Non-controlling interests		**51,126**	278
		918,806	2,943,878
Earnings per share			
Basic and diluted	10	**RMB0.20**	RMB0.84

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	2015 RMB'000	2014 RMB'000
Non-current assets			
Property, plant and equipment		**21,446,841**	20,503,823
Investment properties		**352,526**	357,874
Prepaid lease payments		**1,221,393**	924,763
Intangible assets		**1,144,156**	830,475
Exploration and evaluation assets		**530,191**	771,890
Interests in associates		**2,564,586**	2,927,302
Interests in joint ventures		**338,027**	372,153
Other investments		**–**	100,000
Available-for-sale investments		**835,249**	1,068,529
Deferred tax assets		**918,707**	683,956
Deposits for property, plant and equipment		**347,427**	65,031
		29,699,103	28,605,796
Current assets			
Inventories		**13,368,855**	14,190,219
Trade and bills receivables	11	**14,205,827**	17,344,604
Prepayments, deposits and other receivables		**6,930,203**	6,137,786
Other investments		**311,799**	1,140,000
Loans to fellow subsidiaries		**945,209**	878,585
Prepaid lease payments		**25,078**	18,371
Available-for-sale investments		**2,812,500**	1,263,000
Held-for-trading financial assets		**156,947**	48,159
Derivative financial instruments	12	**615,000**	350,885
Restricted bank deposits		**3,975,457**	5,944,645
Bank balances and cash		**16,705,051**	19,394,219
		60,051,926	66,710,473

	NOTES	2015 RMB'000	2014 RMB'000
Current liabilities			
Trade and bills payables	13	**8,575,020**	10,948,492
Other payables and accruals		**4,687,627**	4,192,693
Deposits from holding Company and fellow subsidiaries		**1,611,576**	879,792
Deferred revenue – government grants		**48,988**	35,723
Derivative financial instruments	12	**210,708**	273,946
Held-for-trading financial liabilities		**1,758,825**	2,416,717
Tax payable		**351,625**	803,008
Bonds payable		**6,554,733**	–
Bank borrowings		**16,704,886**	20,929,923
		40,503,988	40,480,294
Net current assets		**19,547,938**	26,230,179
Total assets less current liabilities		**49,247,041**	54,835,975
Non-current liabilities			
Bonds payable		**–**	6,246,297
Bank borrowings		**347,600**	680,454
Provision for rehabilitation		**165,695**	122,465
Employee benefit liability		**149,551**	187,480
Deferred revenue – government grants		**634,159**	472,978
Other long term payables		**11,735**	12,491
Deferred tax liabilities		**109,000**	93,646
		1,417,740	7,815,811
		47,829,301	47,020,164
Share capital and reserves			
Share capital		**3,462,729**	3,462,729
Reserves		**42,439,628**	42,265,221
Equity attributable to owners of the Company		**45,902,357**	45,727,950
Non-controlling interests		**1,926,944**	1,292,214
		47,829,301	47,020,164

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

1. GENERAL

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 Gan 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 and A shares were listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange, respectively. The head office of the Company is located at No. 7666, Changdong Road, Nanchang City, Jiangxi Province, the PRC. The Company's holding company is JCC, and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of the 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.

The consolidated financial statements are presented in Renminbi ("**RMB**") which is the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (the "**IASB**") for the first time in the current year:

Amendments to IAS 19	Defined benefit plans: Employee contributions
Amendments to IFRSs	Annual improvements to IFRSs 2010 – 2012 cycle
Amendments to IFRSs	Annual improvements to IFRSs 2011 – 2013 cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial instruments[1]
IFRS 14	Regulatory deferral accounts[2]
IFRS 15	Revenue from contracts with customers[1]
IFRS 16	Leases[3]
Amendments to IFRS 11	Accounting for acquisitions of interests in joint operations[4]
Amendments to IAS 1	Disclosure initiative[4]
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation[4]
Amendments to IFRSs	Annual improvements to IFRSs 2012 – 2014 cycle[4]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer plants[4]
Amendments to IAS 27	Equity method in separate financial statements[4]
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture[5]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to IAS 7	Disclosure initiative[6]
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses[6]

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (CONTINUED)

[1] Effective for annual periods beginning on or after 1 January 2018
[2] Effective for first annual IFRS financial statements beginning on or after 1 January 2016
[3] Effective for annual periods beginning on or after 1 January 2019
[4] Effective for annual periods beginning on or after 1 January 2016
[5] Effective for annual periods beginning on or after a date to be determined
[6] Effective for annual periods beginning on or after 1 January 2017

IFRS 9 "Financial instruments"

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("**FVTOCI**") measurement category for certain simple debt instruments.

Key requirements of IFRS 9 are described below:

- All recognised financial assets that are within the scope of IAS 39 "Financial instruments: Recognition and measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (CONTINUED)

IFRS 9 "Financial instruments" (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS39. Under IFRS9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective of quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets in respect of available-for-sale investments. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (CONTINUED)

IFRS 15 "Revenue from contracts with customers"

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 "Revenue", IAS 11 "Construction contracts" and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

The directors of the Company anticipate that the application of the other new and revised IFRSs will have no material impact on the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

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

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

	2015	2014
	RMB'000	*RMB'000*
Sales of goods		
– copper cathodes	**113,156,063**	117,265,741
– copper rods	**38,126,940**	46,079,831
– copper processing products	**3,079,239**	5,186,903
– gold	**6,154,781**	7,343,048
– silver	**2,816,113**	2,641,269
– sulphuric and sulphuric concentrate	**1,348,034**	1,382,686
– rare and other non-ferrous metals	**17,890,198**	15,548,506
– others	**3,211,123**	3,385,502
Revenue analysis prepared in accordance with ASBE	**185,782,491**	198,833,486
Less: sales related taxes	**(554,321)**	(569,311)
Revenue analysis prepared in accordance with IFRSs	**185,228,170**	198,264,175

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's operation is mainly located in the PRC and Hong Kong. The Group's revenue by geographical location of customers are detailed below:

	2015 *RMB'000*	2014 *RMB'000*
Mainland China	**165,251,322**	174,273,236
Hong Kong	**11,181,744**	9,728,744
Others	**9,349,425**	14,831,506
Revenue analysis prepared in accordance with ASBE	**185,782,491**	198,833,486
Less: sales related taxes	**(554,321)**	(569,311)
Revenue analysis prepared in accordance with IFRSs	**185,228,170**	198,264,175

All non-current assets of the Group (excluding deferred tax assets and financial instruments) are located in the PRC except for certain investments in Afghanistan, Turkey, Peru and Japan of which carrying amounts are not material.

Information about major customers

During the year ended 31 December 2015, there is no revenue from customers contributing over 10% of the total revenue of the Group (2014: nil). The revenue from the largest customer amounted to approximately RMB4,876,870,000 (2014: RMB9,194,422,000), representing 2.63% (2014: 4.62%) of the total revenue of the Group.

4. OTHER INCOME

	2015	2014
	RMB'000	*RMB'000*
Interest income	**954,972**	940,799
Dividend income on available-for-sale investments	**34,409**	20,490
Government grants recognised *(note)*	**51,716**	38,035
Income from value-added tax refund	**78,301**	57,514
Others	**6,219**	28,850
	1,125,617	1,085,688

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

5. OTHER GAINS AND LOSSES

	2015	2014
	RMB'000	*RMB'000*
Fair value change on derivative financial instruments		
Transactions not qualifying for hedging accounting		
– Fair value change on commodity derivative contracts	**290,358**	1,236,705
– Fair value change on foreign currency forward contracts and interest rate swaps	**121,163**	7,220
Transactions qualifying as fair value hedges		
– Inventory hedged	**4,351**	3,394
– Fair value change on hedging instruments	**(6,408)**	(2,196)
Ineffective portion of cash flow hedges	**(66,424)**	(634)
Fair value change on held-for-trading financial assets	**31,072**	(707)
Fair value change on held-for-trading financial liabilities	**95,023**	(71,995)
Income from available-for-sale investments	**192,515**	183,033
Gain from disposal of a subsidiary	**278,015**	–
Income from other investments	**90,972**	123,470
Loss on disposal of property, plant and equipment	**(26,565)**	(39,649)
Impairment loss on property, plant and equipment	**–**	(30,088)
Impairment loss on trade and other receivable	**(437,996)**	(981,988)
Impairment loss on available-for-sale investments	**(369)**	(1,631)
Impairment loss on loans to fellow subsidiaries	**(380)**	(4,415)
Donations	**(852)**	(1,203)
Exchange (losses)/gains	**(551,263)**	72,082
Others	**64,517**	(9,372)
	77,729	482,026

6. FINANCE COSTS

	2015	2014
	RMB'000	*RMB'000*
Interests on bank borrowings	**406,603**	542,612
Interest on bonds payable	**376,435**	358,904
Interests on discounted notes	**140,289**	75,889
	923,327	977,405

7. TAXATION

	2015	2014
	RMB'000	*RMB'000*
The charge comprises:		
Current taxation		
– PRC Enterprise Income Tax	**687,202**	1,220,349
– Hong Kong Profits Tax	**7,667**	10,625
	694,869	1,230,974
(Over) underprovision in prior years		
– PRC Enterprise Income Tax	**(4,761)**	(1,854)
– Hong Kong Profits Tax	**848**	(76)
	(3,913)	(1,930)
Deferred taxation	**(213,215)**	(215,936)
	477,741	1,013,108

7. TAXATION (CONTINUED)

Hong Kong Profits Tax of the Group's subsidiaries has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The provision for PRC Enterprise Income Tax is based on a statutory rate of 25% (2014: 25%) of the assessable profits of the Group as determined in accordance with the relevant income tax rules and regulations of the PRC Enterprise Income Tax Law except for those high technology companies may be entitled to a lower PRC Enterprise Income Tax rate of 15%, which are according to the PRC Enterprise Income Tax Law.

Taxation in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

8. PROFIT FOR THE YEAR

	2015	2014
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging:		
Employee benefit expense (including directors', chief executive's and supervisors' remuneration)		
– Wages and salaries	**1,849,303**	1,576,995
– Performance related bonus	**22,452**	35,819
– Pension scheme contributions	**455,478**	110,719
– Other staff costs, allowance and welfare	**510,919**	348,039
	2,838,152	2,071,572
Auditor's remuneration	**8,211**	10,652
Cost of inventories recognised as an expense	**181,453,624**	192,542,742
Depreciation of property, plant and equipment	**1,567,260**	1,462,052
Depreciation of investment properties	**7,284**	4,077
Amortisation of prepaid lease payments	**31,908**	18,731
Amortisation of intangible assets	**44,158**	41,017
Allowance for inventories, included in cost of sales	**16,600**	371,233
Minimum lease payments under operating lease of land use rights	**165,960**	163,562

9. DIVIDENDS

	2015	2014
	RMB'000	*RMB'000*
Dividends recognised as distribution during the year:		
Final dividend of RMB0.2 for 2014 (2014: final dividend of RMB0.2 for 2013) per share	**692,546**	1,731,365

Subsequent to the end of the reporting period, a final dividend of RMB0.1 in respect of the year ended 31 December 2015 (2014: final dividend of RMB0.2 in respect of the year ended 31 December 2014) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting. The total amount of RMB346,273,000 (2014: RMB692,546,000) of the proposed final dividend, calculated on the Company's number of shares issued at the date of annual report, is not recognised as a liability in the consolidated statement of financial position.

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of RMB689,556,000 (2014: RMB2,899,091,000) and on the number of 3,462,729,405 (2014: 3,462,729,405) ordinary shares in issue during the year.

Diluted earnings per share presented is the same as basic earnings per share because there is no outstanding potential dilutive ordinary shares as at 31 December 2015 and 2014 and during both years.

11. TRADE AND BILLS RECEIVABLES

	2015	2014
	RMB'000	*RMB'000*
Trade receivables	**10,603,412**	10,357,283
Bills receivables	**3,172,899**	6,939,014
Factoring receivables	**1,386,701**	884,839
	15,163,012	18,181,136
Less: Allowance for doubtful debts	**(957,185)**	(836,532)
	14,205,827	17,344,604

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. 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 minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

The aged analysis of trade and bills receivables, net of allowance for doubtful debts, is presented based on the invoice date at the end of the reporting period as follows:

	2015	2014
	RMB'000	*RMB'000*
Within 1 year	**14,149,375**	15,619,516
1 – 2 years	**33,015**	1,723,837
2 – 3 years	**23,437**	1,251
	14,205,827	17,344,604

12. DERIVATIVE FINANCIAL INSTRUMENTS

	2015		2014	
	Fair value		Fair value	
	Assets	**Liabilities**	Assets	Liabilities
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Net settlement:				
Commodity derivative contracts	**347,580**	**(169,963)**	278,660	(170,557)
Provisional price arrangement	**207,300**	**–**	70,623	–
Foreign currency forward contracts and interest rate swaps	**60,120**	**(40,745)**	1,602	(103,389)
	615,000	**(210,708)**	350,885	(273,946)

	2015	2014
	RMB'000	*RMB'000*
Derivatives qualifying for hedge accounting:		
Cash flow hedges		
– Commodity derivative contracts	**1,130**	42,753
Fair value hedges		
– Provisional price arrangement	**198,693**	59,015
	199,823	101,768
Derivatives not qualifying for hedge accounting:		
– Commodity derivative contracts	**2,474**	1,727
– Provisional price arrangement	**8,607**	11,608
	11,081	13,335
Derivatives not under hedge accounting:		
– Commodity derivative contracts	**174,013**	63,623
– Foreign currency forward contracts and interest rate swaps	**19,375**	(101,787)
	193,388	(38,164)
	404,292	76,939

12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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 Shanghai Futures Exchange and London Metal Exchange.

(a) Derivatives under hedge accounting:

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

– ***Cash flow hedge***

The Group utilises commodity derivative contracts to hedge its exposure to variability in cash flows attributable to price fluctuation risk associated with highly probable forecast sales of copper related products. As at 31 December 2015, the expected delivery period of the forecasted sales for copper related products was from January to March 2016 (2014: from January to March 2015).

– ***Fair value hedge***

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

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

12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Derivatives not under hedge accounting:

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

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

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

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

13. TRADE AND BILLS PAYABLES

	2015	2014
	RMB'000	*RMB'000*
Trade payables	**4,286,670**	10,348,877
Bills payables	**4,288,350**	599,615
	8,575,020	10,948,492

13. TRADE AND BILLS PAYABLES (CONTINUED)

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

	2015	2014
	RMB'000	*RMB'000*
Within 1 year	**8,519,959**	10,865,337
1 – 2 years	**35,570**	48,963
2 – 3 years	**10,733**	26,666
Over 3 years	**8,758**	7,526
	8,575,020	10,948,492

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

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

Jiangxi, the People's Republic of China
22 March 2016

As at the date of this announcement, the executive directors of the Company are Mr. Li Baomin, Mr. Long Ziping, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Gan Chengjiu, Mr. Liu Fangyun and Mr. Shi Jialiang; and the independent non-executive directors of the Company are Mr. Qiu Guanzhou, Mr. Tu Shutian, Mr. Zhang Weidong and Mr. Deng Hui.