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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)

2017 INTERIM RESULTS ANNOUNCEMENT

I. IMPORTANT NOTICE

(I) The board of directors (the "Board") and the supervisory committee (the "Supervisory Committee") of Jiangxi Copper Company Limited (the "Company") and its directors (the "Directors"), supervisors (the "Supervisors") and senior management warrant that they severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the information contained in the interim report and that there are no false representations, misleading statements contained therein or material omissions therefrom.

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

(II) All Directors of the Company attended the Board's meeting to approve, among others, the interim results for the six months ended 30 June 2017.

(III) The interim financial report of the Company and its subsidiaries (the "Group") has not been audited, but the interim financial information prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" and other relevant provisions (collectively referred to as "IFRSs") has been reviewed by Deloitte Touche Tohmatsu and considered and approved by the independent audit committee (the "Audit Committee") of the Company.

(IV) The Company's Chairman, Mr. Li Baomin, the principal accounting responsible person, Mr. Wu Jinxing, and Head of Financial Department (accounting chief), Mr. Zhou Minhui, warrant the truthfulness, accuracy and completeness of the financial report set out in the interim report.

(V) Proposal of profit distribution plan or transfer of capital reserve to share capital during the six months ended 30 June 2017 (the "reporting period") after consideration by the Board: The Company will not make any proposal of profit distribution plan or transfer capital reserve to share capital.

(VI) Statement for the risks involved in the forward-looking statement: The interim report contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to its investors. Investors should be aware of the investment risks.

(VII) There is no misappropriation of funds by the controlling shareholders and their connected parties for non-operation purpose in the Group.

(VIII) There are no external guarantees provided in violation of stipulated decision-making procedures in the Group.

II. SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

(I) Consolidated Accounting Data and Financial Indicators Prepared in accordance with the IFRSs

	For the six months ended 30 June		
	2017	2016	Increase/ (decrease)
	(RMB'000)	*(RMB'000)*	*(%)*
	(Unaudited)	(Unaudited)	
Revenue	**97,759,550**	89,972,986	8.65%
Profit before taxation	**1,660,960**	1,024,811	62.07%
Profit for the period attributable to owners of the Company	**973,559**	643,006	51.41%
Basic earnings per share *(RMB)*	**0.28**	0.19	47.37%

	As at 30 June 2017	As at 31 December 2016	Increase/ (decrease)
	(RMB'000)	*(RMB'000)*	(%)
	(Unaudited)	(Audited)	
Total assets	**94,193,779**	87,384,090	7.79%
Total liabilities	**44,999,166**	38,561,242	16.70%
Net assets attributable to owners of the Company	**46,986,268**	46,597,986	0.83%
Net assets per share attributable to owners of the Company *(RMB)*	**13.57**	13.46	0.82%

(II) Consolidated Accounting Data and Financial Indicators Prepared in accordance with the PRC Accounting Standards ("PRC GAAP")

(1) Major accounting data

Unit: Yuan Currency: RMB

Major accounting data	**During the reporting period (January–June)**	During the same period of last year	Increase/ decrease for the reporting period as compared with the same period of last year *(%)*
Operating revenue	**98,285,807,570**	90,204,434,410	8.96
Net profit attributable to shareholders of the Company	**830,212,763**	473,376,745	75.38
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	**621,619,931**	355,011,220	75.10
Net cash flows from operating activities	**864,037,385**	660,798,287	30.76

	As at the end of the reporting period	As at the end of last year	Increase/ decrease as at the end of the reporting period as compared with the end of last year *(%)*
Net assets attributable to shareholders of the Company	**46,986,154,275**	46,597,873,215	0.83
Total assets	**94,193,780,728**	87,384,092,258	7.79

(2) Major financial indicators

Unit: Yuan Currency: RMB

Major financial indicators	**During the reporting period (January–June)**	During the same period of last year	Increase/decrease for the reporting period as compared with the same period of last year *(%)*
Basic earnings per share *(RMB/share)*	**0.24**	0.14	71.43
Diluted earnings per share *(RMB/share)*	**Not applicable**	Not applicable	Not applicable
Basic earnings per share after non-recurring profit and loss items *(RMB/share)*	**0.18**	0.10	80
Return on net assets *(weighted average) (%)*	**1.77**	1.03	increased by 0.74 percentage point
Return on net assets after non-recurring profit and loss items *(weighted average) (%)*	**1.33**	0.77	increased by 0.56 percentage point

(III) Reconciliation Between the IFRSs and the PRC GAAP

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

Unit: Yuan Currency: RMB

	Net profit		Net assets attributable to shareholders of the Company	
	Amount for the current period	Amount for the previous period	**Closing amount**	Opening amount
Prepared in accordance with the PRC GAAP	**830,212,763**	473,376,745	**46,986,154,275**	46,597,873,215
Adjustments to items and amounts under IASs:				
Safety fund expenses provided but not used under the PRC GAAP during the period	**143,344,899**	169,546,656		
Income tax effect on safety fund		81,648		
Prepared in accordance with the IASs	**973,557,662**	643,005,049	**46,986,154,275**	46,597,873,215

(IV) Non-Recurring Profit and Loss Items and Amounts (In financial statements prepared under the PRC GAAP)

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	Amount
Profit and loss from disposal of non-current assets	9,666,497
Ultra vires approval, or no formal approval document, or incidental tax return and reduction	
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 and in compliance with national policies	37,474,907
Fund occupation expense collected from the non-financial enterprises calculated into the current profits and losses	
The investment cost of the subsidiaries, associates and joint enterprises obtained by the enterprise is less than the profit generated from the fair value of identifiable net assets of the invested unit enjoyed when investment is obtained	
Profit and loss from exchange of non-monetary assets	
Profit and loss from investment or asset management entrusted to others	
Provision for asset impairment reserves due to force majeure factors, such as natural disasters	
Profit and loss from debt restructuring	
Enterprise restructuring expense, such as employee placement expenditure, integration expenses, etc.	
Profit and loss exceeding the fair value generated in transactions where the transaction price is obviously unfair	
Current net profit or loss from the beginning of period to the combination date of the subsidiary company generated from enterprise combination under the same control	
Profit and loss generated from contingencies unrelated to normal operation of the Company	
Profit and loss from changes in the fair value of 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 hedging business related to normal operation of the Company	197,150,378
Reversed provision for impairment of the receivables under independent impairment test	
Profit and loss from foreign entrusted loan	
Profit and loss from changes in the fair value of the investment real estate subject to subsequent measurement in the mode of fair value	
Influence of one-time adjustment on current profit and loss according to requirements in the laws and regulations of tax and accounting	
Income from trustee fee obtained from entrusted operation	
Other non-operating income and expenses other than the above	601,362
Other profit and loss items conforming to definition of non-recurring items	
Impact from interests of non-controlling shareholders	21,189,957
Impact from income tax	-57,490,269
Total	208,592,832

(V) Other Items (In financial statements prepared under the PRC GAAP)

Unit: Yuan Currency: RMB

Item	Opening balance	**Closing balance**	**Changes during the period**	**Impact on profit of the current period**
1. Investment in held-for-trading equity instruments				
Equity investments	27,284,608	**53,496,671**	26,212,063	-220,142
2. Investment in held-for-trading debt instruments				
Debenture investment	160,750,782	**160,577,063**	-173,719	-8,595,499
3. Derivatives not designated as a hedge				
Forward foreign exchange contracts	-53,486,962	**-11,030,269**	42,456,693	41,788,376
Interest rate swaps contracts	-12,841	**2,916,347**	2,929,188	2,979,088
Commodity option contracts	-132,280,125	**-128,634,399**	3,645,726	36,754,154
Commodity futures contracts	-140,954,879	**-72,460,539**	68,494,340	63,695,818
Gold futures contracts	129,153,350	**-41,786,220**	-170,939,570	-170,939,570
Foreign exchange swap contracts	-3,664,397		3,664,397	3,664,397
4. Liabilities incurred in gold lease contracts measured at fair value	-2,682,585,751	**-5,112,599,100**	-2,430,013,349	190,335,001
5. Hedging instruments				
(1) Non-effective hedging derivative instruments				
Commodity futures contracts	19,624,410	**-319,532**	-19,943,942	-21,905,255
Provisional price arrangement	-10,414,104	**-8,960,632**	1,453,472	1,453,472
(2) Effective hedging derivative instruments				
Commodity futures contracts	3,299,862	**-6,074,615**	-9,374,477	-5,865,204
Item at fair value included in inventory	2,693,886,370	**2,584,478,356**	-109,408,014	69,945,772
Provisional price arrangement	-60,140,289	**-133,494,413**	-73,354,124	-73,354,124
6. Available-for-sale financial assets				
Available-for-sale equity instruments	430,000,000	**400,000,000**	-30,000,000	
Available-for-sale debt instruments	3,481,749,017	**4,553,491,888**	1,071,742,871	
Total	3,862,209,051	**2,239,600,606**	-1,622,608,445	129,736,284

III. CHANGES IN SHARE CAPITAL AND SHAREHOLDERS

(I) Changes in Share

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

(II) Changes in Shares Subject to Lock-up

Not applicable

(III) The Number of Shareholders and Shareholdings

(1) Total number of Shareholders

Total number of ordinary shareholders at the end of the reporting period	143,554
Total number of preference shareholders with voting rights restored at the end of the reporting period	0

(2) Table of shareholdings of the top ten shareholders and the top ten shareholders holding tradable shares (or shareholders not subject to lock-up) at the end of the reporting period

Shareholdings of the top ten shareholders

Unit: Share

Name of shareholder (full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the reporting period	Percentage (%)	Number of shares held subject to lock-up	Situation of pledge or freeze		Nature of shareholder
					Share status	Number	
Jiangxi Copper Corporation ("JCC")	0	1,403,614,110	40.53	0	Nil	0	state-owned
HKSCC Nominees Limited ("HKSCC")	-7,086,786	1,179,982,495	34.08	0	Unknown		Unknown
Central Huijin Asset Management Limited	0	31,843,800	0.92	0	Unknown		Unknown
China Securities Finance Corporation Limited	19,356,158	19,356,158	0.56	0	Unknown		Unknown

Name of shareholder (full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the reporting period	Percentage (%)	Number of shares held subject to lock-up	Situation of pledge or freeze Share status	Number	Nature of shareholder
Taiping Life Insurance Company Limited – Bonus – Team Bonus	0	8,241,022	0.24	0	Unknown		Unknown
New China Life Insurance Company Limited – Bonus – Individual Bonus – 018L – FH002 SH	0	8,049,449	0.23	0	Unknown		Unknown
China Life Insurance Company Limited– Bonus – Individual Bonus – 005L – FH002 SH	-740,156	7,309,293	0.21	0	Unknown		Unknown
Taiping Life Insurance Company Limited – Bonus – Individual Bonus	6,999,872	6,999,872	0.20	0	Unknown		Unknown
Beijing Fengshan Investment Ltd.	0	6,784,000	0.20	0	Unknown		Unknown
Bank of China Limited – Hua An New Silk Road Theme Equity Securities Investment Fund	6,300,000	6,300,000	0.18	0	Unknown		Unknown

Shareholdings of the top ten shareholders not subject to lock-up

Name of shareholder	Number of tradable shares held not subject to lock-up	Class and number of shares Class	Number
JCC	1,403,614,110	Ordinary shares denominated in RMB (A share)	1,205,479,110
		Overseas listed foreign shares (H share)	198,135,000
HKSCC	1,179,982,495	Ordinary shares denominated in RMB (A share)	1,179,982,495
Central Huijin Asset Management Limited	31,843,800	Ordinary shares denominated in RMB (A share)	31,843,800
China Securities Finance Corporation Limited	19,356,158	Ordinary shares denominated in RMB (A share)	19,356,158
Taiping Life Insurance Company Limited – Bonus – Team Bonus	8,241,022	Ordinary shares denominated in RMB (A share)	8,241,022
New China Life Insurance Company Limited – Bonus – Individual Bonus – 018L – FH002 SH	8,049,449	Ordinary shares denominated in RMB (A share)	8,049,449
China Life Insurance Company Limited– Bonus – Individual Bonus – 005L – FH002 SH	7,309,293	Ordinary shares denominated in RMB (A share)	7,309,293
Taiping Life Insurance Company Limited – Bonus – Individual Bonus	6,999,872	Ordinary shares denominated in RMB (A share)	6,999,872
Beijing Fengshan Investment Ltd.	6,784,000	Ordinary shares denominated in RMB (A share)	6,784,000
Bank of China Limited – Hua An New Silk Road Theme Equity Securities Investment Fund	6,300,000	Ordinary shares denominated in RMB (A share)	6,300,000

The explanation of the connected relationship or parties acting in concert among the aforesaid shareholders:

(1) JCC, the controlling shareholder of the Company, and the other holders of shares not subject to lock-up are neither connected persons nor parties acting in concert as defined in "the Measures for the Administration of the Takeover of Listed Companies"(《上市公司收購管理辦法》)issued by China Securities Regulatory Commission ("CSRC").

(2) The Company is not aware of any connected relationship among the holders of shares not subject to lock-up, nor aware of any parties acting in concert as defined in "the Measures for the Administration of the Takeover of Listed Companies"(《上市公司收購管理辦法》)issued by CSRC.

Preferred shareholders with restored voting rights and their shareholding: /

Notes: 1. HKSCC held a total of 1,179,876,495 H Shares and 10,129,128 A Shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 34.37% of the total issued share capital of the Company. HKSCC is a member of the Central Clearing and Settlement System, providing registration and custodial services for customers.

2. The 198,135,000 H Shares held by JCC have been registered with HKSCC and were separately listed from the other shares held by HKSCC when disclosed in the table above. Taking into account the H shares held by JCC, HKSCC held 1,388,140,623 shares as nominee, representing approximately 40.09% of the issued share capital of the Company.

Shareholdings of the top ten shareholders subject to lock-up and the trading restrictions

Not applicable

(3) Strategic investors or general corporate investors who become the top ten shareholders due to the placement of new shares

Not applicable

(IV) Changes in Controlling Shareholder and Ultimate Controller

Not applicable

IV. REPORT OF THE BOARD

Unless otherwise specified, the following figures are extracted from the unaudited consolidated accounting statements prepared in accordance with PRC GAAP.

Discussion and Analysis of the Company's Operation during the Reporting Period by the Board

In the first half of 2017, the global economy was experiencing a favorable trend of recovery with eye-catching economic performance of the United States and Europe, while the Japanese economy was recovering in a moderate manner. The domestic economy demonstrated a promising layout with steady growth, low unemployment rate, stable commodity prices and optimised structure, as well as improvement in stability, coordination and sustainability for economic development. However, due to factors such as, among others, intensified trade protectionism and the faster-than-expected interest rate hike made by the Federal Reserve, global economies will face pressure on growth in the second half of the year.

In the first half of the year, the Company continued to adhere to the theme of "reformation and innovation with quality improvement and efficiency enhancement" and systematically implemented a series of measures regarding "production assurance, operation stabilization, cost reduction, efficiency enhancement, reformation implementation, innovation facilitation and risk control". Under the joint effort of all staff, the production volume of major products of the Company met the scheduled progress and its production and operation were generally satisfying in the first half of the year while the operating performance rebounded steadily.

During the reporting period, the Company basically achieved the production plan for all products and produced: 644,900 tonnes of copper cathode, representing a year-on-year increase of 7.47% (599,800 tonnes for the same period of last year); 104,700 tonnes of copper concentrates (105,900 tonnes for the same period of last year); 12,532 kilogram of gold (13,303 kilogram for the same period of last year); 247 tonnes of sliver (269 tonnes for the same period of last year); 3,676 tonnes of molybdenum concentrates (45%)(3,829 tonnes for the same period of last year); 1,700,000 tonnes of sulphuric acids (1,860,000 tonnes for the same period of last year); 1,240,000 tonnes of sulphur concentrates (1,310,000 tonnes for the same period of last year); 462,200 tonnes of copper rods, representing a year-on-year increase of 18.21% (391,000 tonnes for the same period of last year); 74,500 tonnes of other copper processing products (excluding copper rods), representing a year-on-year increase of 13.05% (65,900 tonnes for the same period of last year).

As of 30 June 2017, the consolidated operating revenue of the Group amounted to RMB98,285,807,570 (for the same period of 2016: RMB90,204,434,410), representing a year-on-year increase of RMB8,081,373,160 (or 8.96%). The Group recorded the net profits attributable to shareholders of the Company of RMB830,212,763 (for the same period of 2016: RMB473,376,745), representing an increase of RMB356,836,018 (or 75.38%), as compared to the same period of last year. The earnings per share amounted to RMB0.24 (for the same period of 2016: RMB0.14), representing an increase of RMB0.10 (or 71.43%) as compared to the same period of last year. Under the International Accounting Standard, the net profits attributable to shareholders of the Company were RMB973,557,662 (for the same period of 2016: RMB643,005,049, representing an increase of RMB330,052,613 (or 51.41%), as compared to the same period of last year.

(I) Analysis of principal businesses

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

Unit: Yuan Currency: RMB

Items	**For the period**	For the same period last year	Changes (%)
Operating revenue	**98,285,807,570**	90,204,434,410	8.96
Operating cost	**94,779,622,041**	87,832,762,535	7.91
Selling and distribution expenses	**298,253,431**	264,672,706	12.69
Administrative expenses	**787,465,452**	832,266,273	-5.38
Finance costs	**159,275,955**	123,980,753	28.47
Net cash flow from operating activities	**864,037,385**	660,798,287	30.76
Net cash flow from investment activities	**-1,699,996,554**	-1,935,597,685	12.17
Net cash flow from financing activities	**585,841,185**	-2,136,187,556	127.42
Expenses on research and development	**882,221,000**	294,464,000	199.60
Taxes and levies	**526,257,843**	231,448,619	127.38
Impairment losses on assets	**567,521,358**	209,136,257	171.36
Gains on changes in fair value	**129,736,284**	-467,974,046	127.72
Returns on investment	**172,218,570**	564,440,135	-69.49
Other income	**37,474,907**	–	100.00
Non-operating income	**14,194,888**	56,056,015	-74.68
Non-operating expenses	**3,927,029**	7,918,175	-50.40
Income tax expenses	**698,560,754**	286,843,404	143.53

(1) Explanation on changes in operating revenue:

It was due to an increase in sale unit price and volume of copper cathode and copper rods and wires;

(2) Explanation on changes in operating cost:

A corresponding increase in costs as a result of the increase in sales volume of copper cathode and copper rods and wires;

(3) Explanation on changes in selling and distribution expenses:

It was due to an increase in agency fees, transportation fees and storage fees of freight logistics companies for the period as a result of an increase in total sales volume for the current period;

(4) Explanation on changes in administrative expenses:

It was due to changes in review of items after the value-added tax reform;

(5) Explanation on changes in finance costs:

It was due to a decrease in interest income over the same period of last year;

(6) Explanation on changes in net cash flow from operating activities:

It was mainly due to an increase in operating revenue;

(7) Explanation on changes in net cash flow from investment activities:

It was due to an increase in available-for-sale financial assets which mature;

(8) Explanation on changes in net cash flow from financing activities:

It was mainly due to an increase in the financing scale;

(9) Explanation on changes in expenses on research and development:

It was due to a year-on-year increase in development of scientific research project of the Company during the reporting period;

(10) Explanation on changes in taxes and levies:

It was due to changes in review of items after the value-added tax reform;

(11) Explanation on changes in impairment losses on assets:

It was due to an increase in provision for bad debts for the current period;

(12) Explanation on changes in gains on changes in fair value:

It was due to the reversal of floating loss last year;

(13) Explanation on changes in returns on investment:

It was due to a decrease in gains on closed position of commodity futures and forward contracts not designated as a hedge as compared with the same period of last year resulting from fluctuation of copper price;

(14) Explanation on changes in other income:

The Group has included government grants in relation to its ordinary business for the current period into other income, as required by the Accounting Standards for Enterprises No. 16 – Government Grants stipulated by the Ministry of Finance;

(15) Explanation on changes in non-operating income:

It was due to changes in review of items on the basis of new principles prescribed by the Ministry of Finance;

(16) Explanation on changes in non-operating expenses:

A decrease in compensation expenses for the current period as compared with the same period of last year;

(17) Explanation on changes in income tax expenses:

It was due to an increase in profits arising from increasing copper price.

2. *Others*

Detailed explanation of major changes in the structure or sources of Company's profit

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

(II) Explanation on major changes caused by non-principle business

Not applicable

(III) Analysis of assets and liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Item	As at the end of the period	Share of total assets as at the end of the period (%)	As at the end of the previous period	Share of total assets as at the end of the previous period (%)	Changes as at the end of the period over the end of the previous period (%)	Explanation
Cash and bank	**17,375,005,505**	**18.45**	13,078,661,138	14.97	32.85	Note 1
Financial assets at fair value through profit or loss	**244,733,803**	**0.26**	485,725,863	0.56	-49.61	Note 2
Other current assets	**1,661,868,051**	**1.76**	2,717,042,190	3.11	-38.84	Note 3
Construction in progress	**3,972,430,592**	**4.22**	2,961,956,154	3.39	34.11	Note 4
Short-term borrowings	**20,553,909,697**	**21.82**	14,868,139,788	17.01	38.24	Note 5
Financial liabilities at fair value through profit or loss	**5,543,103,441**	**5.88**	3,229,152,199	3.70	71.66	Note 6
Notes payable	**3,079,402,683**	**3.27**	5,656,814,269	6.47	-45.56	Note 7
Dividend payable	**533,809,411**	**0.57**	64,000,000	0.07	734.08	Note 8
Non-current liabilities due within one year	**287,214,544**	**0.30**	137,614,544	0.16	108.71	Note 9
Long-term borrowings	**10,500,000**	**0.01**	228,100,000	0.26	-95.40	Note 10
Other comprehensive income	**15,632,400**	**0.02**	81,499,591	0.09	-80.82	Note 11
Surplus reserve	**518,373,948**	**0.55**	375,029,049	0.43	38.22	Note 12

Other explanations

Note 1: As at the end of the reporting period, the cash and bank of the Group amounted to RMB17,375.01 million, representing an increase of RMB4,296.35 million (or 32.85%) as compared to the end of last year, mainly attributable to the increased financing by way of time deposits as security by the Group, leading to an increase in time deposits as security as compared to the end of last year.

Note 2: As at the end of the reporting period, the financial assets at fair value through profit or loss of the Group amounted to RMB244.73 million, representing a decrease of RMB241.00 million (or -49.61%) as compared to the end of last year, mainly attributable to the fluctuation of copper price, leading to the floating loss of commodity futures contracts and forward commodity contracts.

Note 3: As at the end of the reporting period, the change in other current assets of the Group amounted to RMB1,661.87 million, representing a decrease of RMB1,055.17 million (or -38.84%) as compared to the end of last year, mainly attributable to the decrease in bank wealth management products and loans to related parties.

Note 4: As at the end of the reporting period, the change in construction in progress amounted to RMB3,972.43 million, representing an increase of RMB1,010.47 million (or 34.11%) as compared to the end of last year, mainly attributable to the increase of engineering payments for the projects of main body of Zhejiang Heding Phase II and Chengmenshan Phase II.

Note 5: As at the end of the reporting period, the short-term borrowings of the Group amounted to RMB20,553.91 million, representing an increase of RMB5,685.77 million (or 38.24%) as compared to the end of last year, mainly attributable to the increase in short-term borrowings pledged by time deposits by the Company.

Note 6: As at the end of the reporting period, the change in financial liabilities at fair value through profit or loss of the Group amounted to RMB5,543.10 million, representing an increase of RMB2,313.95 million (or 71.66%) as compared to the end of last year, mainly attributable to the increase in the scale of financing business by making use of financial instruments by the Company.

Note 7: As at the end of the reporting period, the change in notes payable of the Group amounted to RMB3,079.40 million, representing a decrease of RMB2,577.41 million (or -45.56%) as compared to the end of last year, mainly attributable to the increase in procurement in response to the rise in copper price and settlement made in the current period.

Note 8: As at the end of the reporting period, the dividend payable of the Group amounted to RMB533.81 million, representing an increase of RMB469.81 million (or 734.08%) as compared to the end of last year, mainly attributable to the provision of cash dividends for the year 2016, which was not paid in the first half of 2017.

Note 9: As at the end of the reporting period, the non-current liabilities due within one year of the Group amounted to RMB287.21 million, representing an increase of RMB149.60 million (or 108.71%) as compared to the end of last year, mainly attributable to the increase of long-term borrowings due within one year.

Note 10: As at the end of the reporting period, the long-term borrowings of the Group amounted to RMB10.50 million, representing a decrease of RMB217.60 million (or -95.40%) as compared to the end of last year, mainly attributable to the transfer of long-term borrowings due within one year.

Note 11: As at the end of the reporting period, the other comprehensive income of the Group amounted to RMB15.63 million, representing a decrease of RMB65.87 million (or -80.82%) as compared to the end of last year, mainly due to the impact of translation differences between foreign currencies in overseas operating entities such as associates and joint ventures.

Note 12: As at the end of the reporting period, the surplus reserve of the Group amounted to RMB518.37 million, representing an increase of RMB143.34 million (or 38.22%), mainly attributable to the fact that the safety production expenses withdrawn by the Company has not been utilized as of the first half of the year.

2. *Limitation of assets as at the end of the reporting period*

Not applicable

(IV) Material disposal of assets and equity interests

Not applicable

(V) Structured entities under the control of the Company

Not applicable

II. OTHER DISCLOSURE MATTERS

(I) Warning and explanation on the expected potential loss in accumulated net profit from the beginning of the year to the end of the next reporting period or the significant changes therein as compared with the same period of last year

Not applicable

(II) Potential Risks

1. The risk of decrease in copper price

In 2017, the Group planned to produce a total of 208,900 tonnes of copper contained in copper concentrates. For every decrease of RMB1,000 in copper price, the profits from the self-produced mines of the Company will decrease by RMB200 million (before tax) and the equivalent earnings per share 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 ensure operating targets, the Company has provided hedging for self-produced raw materials according to their price ranges, and aimed to lock the processing fee in respect of outsourced raw materials, so as to shelter from the risk generated from fluctuations in copper price.

2. ***The risk of decrease in smelting processing fees***

With the gradual operation of domestic new smelting capacity, the relative smelting capacity of copper concentrate will experience a slight shortage with an expanding trend. As of current, there has been a certain degree of decline in processing fees of copper smelting spot goods. The future uncertainty in the global macroeconomic development will also limit the growth of copper consumption, and the risk in copper smelting industry will be further increased.

3. ***Changes in domestic and overseas economic environment***

Currently, although the growth of the global economy is positive, there are still uncertainties on whether the infrastructure of the United States will be implemented, the rise of trade protectionism, geopolitics and the internal risks in the euro zone. The PRC economy will continue to make progress, demonstrate an upward trend and improve quality while maintaining stability. However, the pressure of economic downturn still exists while financial reform and adjustments to monetary policies will have a profound influence on the Company's development.

4. ***The risk of safety and environmental protection***

With the increasingly strict supervision of safety and environmental protection in the PRC, if there are safety and environmental protection incidents, not only will it bring significant economic losses to the Company, but it will also lead to tremendously negative impact on the market image of the Company. For this purpose, the Company will strengthen the management of subordinate with regard to highly hazardous production industries such as mining and smelting as well as the training of relevant staff.

(III) Others Disclosure

There was no occurrence of events having a material impact on the Group subsequent to the end of the accounting period.

Since the publication of the 2016 annual report, there have been no material changes in the likely future business development of the Group, including the prospects of the Company for the current accounting year.

V. SIGNIFICANT EVENTS

(I) Proposal of Profit Distribution Plan or Transfer of Capital Reserve to Share Capital

(I) Proposal of profit distribution plan and transfer of capital reserve to share capital for the interim reporting period

During the reporting period, the Company had no proposal of profit distribution plan or plan for transfer of capital reserve to share capital.

(II) Appointment and Removal of Accounting Firms

1. Appointment and removal of accounting firms

Not applicable

2. Explanation on change of the accounting firm during the audit period

Not applicable

3. The Company's explanation for "non-standard auditing report" given by the auditors

Not applicable

(III) Matters Relating to Bankruptcy and Restructuring

Not applicable

(IV) Material Litigation and Arbitration

During the reporting period, the Company had no material litigation and arbitration.

(V) Share Option Scheme, Employee Shareholding Plan or Other Employee Incentives and Their Effects

Not applicable

(VI) Audit Committee

The Company has convened Audit Committee meeting at which the unaudited interim condensed consolidated financial statements and the interim results report for the six months ended 30 June 2017 were considered and approved.

(VII) Code on Corporate Governance Practices

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

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

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

(VIII) Purchase, Disposal or Repurchase 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.

(IX) Model Code for Securities Transactions by Directors

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

(X) Detailed Results Announcement

The interim report for 2017 containing all relevant information required by Appendix 16 to the Listing Rules will be despatched to shareholders and be published on the websites of the Stock Exchange (http://www.hkex.com.hk) and the Company (http://www.jxcc.com) in due course.

VI. UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRSs

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2017

(PREPARED IN ACCORDANCE WITH IFRS)

		Six months ended 30 June	
		2017	2016
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	3	**97,759,550**	89,972,986
Cost of sales		**(94,579,484)**	(87,546,265)
Gross profit		**3,180,066**	2,426,721
Other income	4	**319,984**	436,557
Other gains and losses	5	**(405,648)**	(181,766)
Selling and distribution expenses		**(298,253)**	(264,673)
Administrative expenses		**(803,671)**	(845,571)
Finance costs		**(362,986)**	(538,346)
Share of results of joint ventures		**(11,548)**	(20,732)
Share of results of associates		**43,016**	12,621
Profit before taxation		**1,660,960**	1,024,811
Taxation	6	**(698,561)**	(286,762)
Profit for the period	7	**962,399**	738,049
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		**21,633**	37,218
Reclassification adjustments relating to transfer of cash flow hedges		**(18,661)**	(42,208)
Fair value change on available-for-sale investments		**230**	7,795
Share of exchange differences of associates and joint ventures		**(38,850)**	53,193
Exchange differences arising on translation		**(34,802)**	17,605
Income tax relating to components of other comprehensive income		**(775)**	2,918

		Six months ended 30 June	
		2017	2016
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Other comprehensive (expense) income for the period (net of tax)		**(71,225)**	76,521
Total comprehensive income for the period		**891,174**	814,570
Profit (loss) for the period attributable to:			
Owners of the Company		**973,559**	643,006
Non-controlling interests		**(11,160)**	95,043
		962,399	738,049
Total comprehensive income (expense) attributable to:			
Owners of the Company		**907,691**	719,527
Non-controlling interests		**(16,517)**	95,043
		891,174	814,570
Earnings per share			
Basic and diluted	9	**RMB0.28**	RMB0.19

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2017
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	10	**21,434,064**	20,934,508
Investment properties		**477,743**	484,297
Prepaid lease payments		**1,176,293**	1,190,259
Intangible assets		**1,194,458**	1,217,641
Exploration and evaluation assets		**534,929**	514,761
Interests in associates		**2,823,847**	2,722,937
Interests in joint ventures		**283,793**	283,468
Available-for-sale investments	12	**1,764,616**	1,931,736
Deferred tax assets		**818,556**	960,335
Deposits for prepaid lease payments		**82,150**	82,150
Deposits for property, plant and equipment	10	**311,649**	268,363
		30,902,098	30,590,455
Current assets			
Inventories		**16,566,286**	15,412,386
Trade and bills receivables	13	**17,655,844**	16,562,303
Prepayments, deposits and other receivables		**6,368,305**	6,373,515
Other investments	11	**49,707**	689,707
Loans to fellow subsidiaries		**714,285**	1,082,560
Prepaid lease payments		**28,183**	28,309
Available-for-sale investments	12	**4,099,440**	2,890,577
Held-for-trading financial assets		**214,074**	188,035
Derivative financial instruments	14	**30,660**	297,690
Restricted bank deposits		**9,466,452**	4,818,393
Bank balances and cash		**7,908,553**	8,260,268
		63,101,789	56,603,743
Assets classified as held for sale		**189,892**	189,892
		63,291,681	56,793,635

	NOTES	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Current liabilities			
Trade and bills payables	15	**9,533,078**	11,817,151
Other payables and accruals		**4,867,081**	4,516,422
Deposits from holding company and fellow subsidiaries		**2,251,472**	1,966,372
Deferred revenue – government grants		**47,855**	47,855
Derivative financial instruments	14	**430,504**	546,565
Held-for-trading financial liabilities	16	**5,112,599**	2,682,586
Dividend payable		**533,809**	–
Tax payable		**472,538**	806,285
Bank borrowings		**20,791,259**	14,955,890
		44,040,195	37,339,126
Net current assets		**19,251,486**	19,454,509
Total assets less current liabilities		**50,153,584**	50,044,964
Non-current liabilities			
Bank borrowings		**10,500**	228,100
Provision for rehabilitation		**177,724**	173,509
Employee benefit liability		**83,433**	109,190
Deferred revenue – government grants		**571,231**	592,224
Other long term payables		**8,969**	10,979
Deferred tax liabilities		**107,114**	108,114
		958,971	1,222,116
		49,194,613	48,822,848
Capital and reserves			
Share capital		**3,462,729**	3,462,729
Reserves		**43,523,539**	43,135,257
Equity attributable to owners of the Company		**46,986,268**	46,597,986
Non-controlling interests		**2,208,345**	2,224,862
		49,194,613	48,822,848

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2017

(PREPARED IN ACCORDANCE WITH IFRS)

	Attributable to owners of the Company													
	Share capital *RMB'000*	**Share premium** *RMB'000*	**Capital reserve** *RMB'000* *(Note a)*	**Other reserves** *RMB'000* *(Note b)*	**Statutory surplus reserve** *RMB'000* *(Note c)*	**Discretionary surplus reserve** *RMB'000* *(Note c)*	**Safety funds surplus reserve** *RMB'000* *(Note d)*	**Hedging reserve** *RMB'000*	**Translation reserve** *RMB'000*	**Proposed dividends** *RMB'000*	**Retained profits** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
At 1 January 2017 (audited)	**3,462,729**	**12,647,502**	**(902,113)**	**(97,626)**	**4,816,743**	**9,647,574**	**375,030**	**1,642**	**84,980**	**519,409**	**16,042,116**	**46,597,986**	**2,224,862**	**48,822,848**
Profit (loss) for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**973,559**	**973,559**	**(11,160)**	**962,399**
Other comprehensive income (expense) for the period	**–**	**–**	**–**	**173**	**–**	**–**	**–**	**2,254**	**(68,295)**	**–**	**–**	**(65,868)**	**(5,357)**	**(71,225)**
Total comprehensive income (expense) for the period	**–**	**–**	**–**	**173**	**–**	**–**	**–**	**2,254**	**(68,295)**	**–**	**973,559**	**907,691**	**(16,517)**	**891,174**
Dividend declared	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(519,409)**	**–**	**(519,409)**	**–**	**(519,409)**
Transfer between categories	**–**	**–**	**–**	**–**	**–**	**–**	**143,345**	**–**	**–**	**–**	**(143,345)**	**–**	**–**	**–**
At 30 June 2017 (unaudited)	**3,462,729**	**12,647,502**	**(902,113)**	**(97,453)**	**4,816,743**	**9,647,574**	**518,375**	**3,896**	**16,685**	**–**	**16,872,330**	**46,986,268**	**2,208,345**	**49,194,613**
At 1 January 2016 (audited)	3,462,729	12,647,502	(902,113)	(88,642)	4,589,783	9,647,574	325,909	946	(124,416)	346,273	15,996,812	45,902,357	1,926,944	47,829,301
Profit for the period	–	–	–	–	–	–	–	–	–	–	643,006	643,006	95,043	738,049
Other comprehensive income (expense) for the period	–	–	–	9,744	–	–	–	(4,021)	70,798	–	–	76,521	–	76,521
Total comprehensive income (expense) for the period	–	–	–	9,744	–	–	–	(4,021)	70,798	–	643,006	719,527	95,043	814,570
Contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	228,000	228,000
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	(1,500)	(1,500)
Dividend declared	–	–	–	–	–	–	–	–	–	(346,273)	–	(346,273)	–	(346,273)
Transfer between categories	–	–	–	–	–	–	169,547	–	–	–	(169,547)	–	–	–
At 30 June 2016 (unaudited)	3,462,729	12,647,502	(902,113)	(78,898)	4,589,783	9,647,574	495,456	(3,075)	(53,618)	–	16,470,271	46,275,611	2,248,487	48,524,098

Notes:

(a) Capital reserves arise from (i) the difference between the amount by which the non-controlling interests are adjusted and the consideration paid and received for the acquisition of additional interest in a subsidiary and the partial disposal of a subsidiary without losing control; (ii) the difference between the cash consideration paid, shares issued by the Company and the amount of the registered capital of the combined entities under group reorganisations; and (iii) the excess of the value of the net assets immediately before the establishment of the Company injected into the Company by Jiangxi Copper Corporation, a holding company of the Company, as part of group reorganisations which was determined by the People's Republic of China (the "PRC") valuer and was approved by the State Assets Administration Bureau over the nominal value of the shares issued upon establishment of the Company.

(b) Other reserves mainly represents the difference in value of certain assets and liabilities included in the net assets injected into the Company pursuant to group reorganisations calculated in accordance with International Financial Reporting Standards ("IFRSs") and the valuation of assets and liabilities performed by the PRC valuer in accordance with relevant PRC standards and regulations, which valuation was confirmed by the State Assets Administration Bureau. The current period movement represents net fair value change arising from available-for-sale investments amounting to RMB173, 000 (six months ended 30 June 2016: gain on net fair value change of RMB9,744,000).

(c) According to the PRC laws and regulations, the Company and its PRC subsidiaries shall appropriate to the statutory surplus reserve at 10% of their profit after taxation calculated in accordance with the PRC accounting standards. The appropriation may cease to apply if the balance of the statutory surplus reserve has reached 50% of the registered capital of respective company. In addition, each company is allowed to transfer a certain amount of profit after taxation and after appropriations to the statutory surplus reserve, subject to shareholders' approval, to the discretionary surplus reserve. The statutory surplus reserve and discretionary surplus reserve can be used to make up prior year losses, to expand production operation or to increase share capital. Each company may capitalise the statutory surplus reserve and discretionary surplus reserve by way of bonus issues provided that the amount of the statutory surplus reserve remaining after such an appropriation shall not be less than 25% of the original registered capital of respective company.

(d) The Group is required to make appropriations in accordance with CaiQi [2006] No 478 "Tentative measures for the financial management of the production safety fund for the high risk enterprises" that is issued by Ministry of Finance and Safety Production General Bureau. The reserve is for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2017

(PREPARED IN ACCORDANCE WITH IFRS)

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Net cash from operating activities	**665,781**	448,226
Investing activities		
Proceeds from disposal of available-for-sale investments	**3,957,718**	1,106,750
Repayment of loans to fellow subsidiaries	**973,000**	760,104
Proceeds from disposal of other investments	**640,000**	101,979
Dividend received from available-for-sale investments	**13,500**	–
Dividend received from an associate	**11,199**	27,838
Proceeds from disposal of property, plant and equipment	**24,297**	416
Additional investment in an associate	**(113,133)**	–
Additional investment in a joint venture	**(6,683)**	–
Purchase of available-for-sale investments	**(4,899,440)**	(2,116,785)
Increase in restricted bank deposits	**(4,742,260)**	(1,931,113)
Advance of loans to fellow subsidiaries	**(608,000)**	(923,000)
Purchase of other investments	**–**	(350,000)
Deposits paid for property, plant and equipment	**(311,649)**	(279,312)
Purchase of property, plant and equipment	**(1,204,129)**	(182,489)
Purchase of exploration and evaluation assets	**(20,168)**	(49,465)
Other investing cash flows (net)	**(23)**	1,934
Net cash used in investing activities	**(6,285,771)**	(3,833,143)
Financing activities		
New bank and other borrowings raised	**11,459,303**	16,074,187
Proceeds from held-for-trading financial liabilities	**5,027,466**	1,799,631
Contribution from non-controlling interests	**–**	228,000
Repayment of bank and other borrowings	**(8,302,769)**	(16,616,858)
Repayment of held-for-trading financial liabilities	**(2,407,118)**	(1,135,626)
Interest paid	**(357,410)**	(381,084)
Dividends paid to non-controlling interests	**(49,600)**	(1,500)
Net cash from (used in) financing activities	**5,369,872**	(33,250)
Net decrease in cash and cash equivalents	**(250,118)**	(3,418,167)
Cash and cash equivalents at the beginning of the period	**8,260,268**	16,705,051
Effect of foreign exchange rate changes	**(101,597)**	166,306
Cash and cash equivalents at the end of the period, representing bank balances and cash	**7,908,553**	13,453,190

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2017

(PREPARED IN ACCORDANCE WITH IFRS)

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016.

In the current interim period, the Group has applied, for the first time, the following amendments to IFRSs issued by the IASB that are relevant for the preparation of the Group's condensed consolidated financial statements:.

Amendments to IAS 7	Disclosure initiatives
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses
Amendments to IFRSs	Annual improvements to IFRSs 2014 – 2016 cycle relating to amendments of IFRS 12

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

3. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating segment focusing on production and sale of copper and other related products. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to Accounting Standards for Business Enterprises ("ASBE") issued by the Ministry of Finance of the People's Republic of China (the "PRC"), that are 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:

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Sales of goods		
– copper cathodes	**59,559,595**	54,975,863
– copper rods	**20,249,663**	17,233,667
– copper processing products	**2,501,660**	1,671,832
– gold	**3,337,091**	3,392,906
– silver	**1,672,253**	1,775,515
– sulphuric and sulphuric concentrate	**392,646**	550,340
– rare and other non-ferrous metals	**8,846,789**	9,270,697
– others	**1,726,111**	1,333,615
Revenue analysis prepared in accordance with ASBE	**98,285,808**	90,204,435
Less: sales related taxes	**(526,258)**	(231,449)
Revenue analysis prepared in accordance with IFRSs	**97,759,550**	89,972,986

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

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Trading revenue *(note)*	**64,043,436**	53,364,586
Other non-trading revenue	**33,841,411**	36,444,869
Other revenue	**400,961**	394,980
Revenue analysis prepared in accordance with ASBE	**98,285,808**	90,204,435
Less: sales related taxes	**(526,258)**	(231,449)
Revenue analysis prepared in accordance with IFRSs	**97,759,550**	89,972,986

Note: Trading revenue represents revenue generated from trade of copper cathodes, copper rods and other products purchased from external parties and sale to external parties, excluding those produced by the Group.

4. OTHER INCOME

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest income	**268,907**	381,817
Dividend income on available-for-sale investments	**13,500**	–
Government grants recognised *(note)*	**21,791**	22,552
Income from value-added tax refund	**15,683**	32,161
Compensation income	**103**	27
	319,984	436,557

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

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Fair value change on derivative financial instruments		
Transactions not qualifying for hedge accounting		
– Fair value change on commodity derivative contracts	**(39,784)**	651,259
– Fair value change on foreign currency forward contracts and interest rate swaps	**45,017**	(32,308)
Transactions qualifying as fair value hedges		
– Inventory hedged	**(90)**	(817)
– Fair value change on hedging instruments	**511**	919
Ineffective portion of cash flow hedges	**(9,655)**	1,285
Fair value change on held-for-trading financial assets	**(573)**	(14,869)
Fair value change on held-for-trading financial liabilities	**142,818**	(586,052)
Income from other investments	**–**	12,180
Income from available-for-sale investments	**120,698**	82,426
Gain on disposal of property, plant and equipment	**9,666**	4
Exchange (loss) gain, net	**(48,990)**	45,953
Impairment loss on trade and other receivables	**(613,185)**	(334,470)
Impairment loss on loans to fellow subsidiaries	**(3,275)**	(670)
Impairment loss on available-for-sale investments	**(7,350)**	–
Others	**(1,456)**	(6,606)
	(405,648)	(181,766)

6. TAXATION

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
The charge comprises:		
Current taxation		
– PRC Enterprise Income Tax	**559,269**	503,753
– Hong Kong Profits Tax	**717**	–
	559,986	503,753
(Over) underprovision in prior years		
– PRC Enterprise Income Tax	**(11,320)**	4,694
Deferred taxation	**149,895**	(221,685)
	698,561	286,762

Hong Kong Profits Tax has been provided at the rate of 16.5% (six months ended 30 June 2016: 16.5%) on the estimated assessable profits arising in Hong Kong for five of the Group's subsidiaries (six months ended 30 June 2016: three) during the period.

The provision for PRC Enterprise Income Tax is based on a statutory rate of 25% (six months ended 30 June 2016: 25%) of the assessable profits of the PRC companies 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 entitled to a lower PRC Enterprise Income Tax rate of 15% according to the PRC Enterprise Income Tax Law.

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

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**819,717**	820,249
Depreciation of investment properties	**6,554**	3,168
Amortisation of prepaid lease payments	**14,092**	14,570
Amortisation of intangible assets, included in administrative expense	**24,004**	21,527
Reversal of allowance for inventories, included in cost of sales	**(56,289)**	(126,003)

8. DIVIDENDS

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Dividends recognised as distribution during the period:		
Final dividend of RMB0.15 per share for 2016 (six months ended 30 June 2016: final dividend of RMB0.1 per share for 2015)	**519,409**	346,273

No dividends were paid during the six months ended 30 June 2017 and 2016. The directors do not recommend the payment of a dividend and propose that the profit for the period be retained.

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company of RMB973,559,000 (six months ended 30 June 2016: RMB643,006,000) and on the number of 3,462,729,405 (six months ended 30 June 2016: 3,462,729,405) ordinary shares in issue during the period.

Diluted earnings per share presented is the same as basic earnings per share because there is no outstanding potential dilutive ordinary shares as at 30 June 2017 and 2016 and during the periods.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group spent approximately RMB1,310,560,000 (six months ended 30 June 2016: RMB570,633,000) on construction in progress and RMB22,871,000 (six months ended 30 June 2016: RMB15,412,000) on other property, plant and equipment. Property, plant and equipment with carrying values of approximately RMB14,631,000 (six months ended 30 June 2016: RMB16,305,000) were disposed of by the Group, none (six months ended 30 June 2016: RMB15,893,000) of which has been offset by the provision for rehabilitation. No property, plant and equipment was transferred to investment properties and prepaid lease payment (six months ended 30 June 2016: RMB3,750,000 and nil, respectively). The Group also paid deposits for acquisition of property, plant and equipment of RMB311,649,000 during the period (six months ended 30 June 2016: RMB279,312,000).

11. OTHER INVESTMENTS

	At 30 June 2017	At 31 December 2016
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Loan investments *(Note)*	**49,707**	689,707

Note: As at 30 June 2017, the amount represents a loan investment arranged via a bank to an independent securities company (31 December 2016: one independent securities companies) with high credit-ratings and good reputation. The loan receivable has maturity date due on 27 September 2017 and was unsecured and carried particular interest rates.

As at 30 June 2017, the loan receivable was pledged to secure short-term borrowings. (31 December 2016: RMB49,707,000 was pledged to secure short term borrowings and RMB640,000,000 was pledged to secure the bank acceptance bills).

12. AVAILABLE-FOR-SALE INVESTMENTS

	At 30 June 2017 *RMB'000* **(unaudited)**	At 31 December 2016 *RMB'000* (audited)
Unlisted equity investments, at cost *(note a)*	**931,230**	931,230
Impairment loss recognised	**(20,666)**	(20,666)
	910,564	910,564
Financial products, at fair value *(note b)*	**–**	30,000
Bonds investment, at fair value *(note c)*	**61,402**	61,172
Loan investments, at fair value *(note d)*	**4,492,090**	3,420,577
Investment in a partnership, at fair value *(note e)*	**400,000**	400,000
	5,864,056	4,822,313
Non-current assets	**1,764,616**	1,931,736
Current assets	**4,099,440**	2,890,577
	5,864,056	4,822,313

Notes:

(a) The unlisted equity investments represent the Group's equity interests in unlisted PRC companies. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably. None of the shareholdings exceeds 20% of the issued capital of the respective investee.

(b) As at 31 December 2016, the financial products held by the Group generate annual target return rate ranged from 8.00% to 9.00%, which does not have fixed maturity dates. The directors consider that the fair value of the financial products approximate to their costs.

(c) As at 30 June 2017, the bonds investment held by the Group generate annual target return rate ranged from 7.17% to 7.50% (31 December 2016: 7.17% to 7.50%), which will due from 22 October 2019 to 31 October 2019 (31 December 2016: 22 October 2019 to 31 October 2019). The directors consider that the fair value of the bonds investment approximate to their costs.

(d) The amount represents loan investments arranged via a bank to fifteen independent securities companies (31 December 2016: ten independent securities companies) with high credit rating and good reputation. The loan investments have maturity date from 1 July 2017 to 20 October 2018 (31 December 2016: 15 February 2017 to 24 May 2018) and were unsecured and carried particular interest rates from 3.51% to 8.80% (31 December 2016: 2.59% to 9.20%) per annum. The directors consider that the fair value of the loan investments approximate to their costs.

(e) The amount represents the Group's initial capital contribution for setting up a partnership in the PRC with two independent third parties. The principle business of the partnership is for investment management. The directors consider that the fair value of the investment approximates to its cost.

13. TRADE AND BILLS RECEIVABLES

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

	At 30 June 2017	At 31 December 2016
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 1 year	**13,852,803**	13,748,041
1 to 2 years	**1,450,057**	2,216,724
2 to 3 years	**1,780,449**	594,124
Over 3 years	**572,535**	3,414
	17,655,844	16,562,303

14. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 June 2017		At 31 December 2016	
	Fair value		Fair value	
	Assets	**Liabilities**	Assets	Liabilities
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
	(unaudited)	**(unaudited)**	(audited)	(audited)
Net settlement:				
Commodity derivative contracts	**27,645**	**(276,920)**	297,690	(418,847)
Provisional price arrangements	**99**	**(142,554)**	–	(70,554)
Foreign currency forward contracts and interest rate swaps	**2,916**	**(11,030)**	–	(57,164)
	30,660	**(430,504)**	297,690	(546,565)

The above derivative financial instruments are further analysed as follows:

	At 30 June 2017	At 31 December 2016
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Derivatives qualifying for hedge accounting:		
Cash flow hedges		
– Commodity derivative contracts	**(6,075)**	3,300
Fair value hedges		
– Provisional price arrangements	**(133,494)**	(60,140)
	(139,569)	(56,840)
Derivatives not qualifying for hedge accounting:		
– Commodity derivative contracts	**(319)**	19,624
– Provisional price arrangements	**(8,961)**	(10,414)
	(9,280)	9,210
Derivatives not under hedge accounting:		
– Commodity derivative contracts	**(242,881)**	(144,081)
– Foreign currency forward contracts and interest rate swaps	**(8,114)**	(57,164)
	(250,995)	(201,245)
	(399,844)	(248,875)

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

(a) Derivatives under hedge accounting:

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

– ***Cash flow hedge***

The Group utilises commodity derivative contracts to hedge its exposure to variability in cash flows attributable to price fluctuation risk associated with highly probable forecast sales of copper related products. As at 30 June 2017, the expected delivery period of the forecasted sales for copper related products was from July to September 2017 (31 December 2016: from January to March 2017).

– ***Fair value hedge***

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

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

(b) Derivatives not under hedge accounting:

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

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

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

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

15. TRADE AND BILLS PAYABLES

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

	At 30 June 2017	At 31 December 2016
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 1 year	**9,456,471**	11,769,680
1 to 2 years	**47,506**	7,551
2 to 3 years	**2,278**	22,637
Over 3 years	**26,823**	17,283
	9,533,078	11,817,151

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

16. HELD-FOR-TRADING FINANCIAL LIABILITIES

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

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

Nanchang, Jiangxi, the People's Republic of China, 29 August 2017

As at the date of this announcement, the executive Directors are Mr. Li Baomin, Mr. Long Ziping, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Wang Bo, Mr. Wu Jinxing and Mr. Wu Yuneng; and the independent non-executive Directors are Mr. Tu Shutian, Mr. Sun Chuanyao, Mr. Liu Erfei, Mr. Liu Erh Fei and Dr. Zhou Donghua.