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**CHINA SHIPPING DEVELOPMENT COMPANY LIMITED**  
**中海發展股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 1138)

**Third Quarterly Report of 2013**

**Summary**

This Report for the three months ended 30 September 2013 of the Group has been prepared in accordance with the regulations on Disclosure of Information in Quarterly Reports for Listed Companies issued by the China Securities Regulatory Commission. This Report is published simultaneously in Shanghai, the PRC and Hong Kong. All financial information set out in this Report is unaudited and prepared in accordance with the PRC GAAP.

This announcement is made pursuant to Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**1. IMPORTANT**

This third quarterly report (the "Report") for the three months ended 30 September 2013 (the "Reporting Period") of China Shipping Development Company Limited (the "Company", together with its subsidiaries, the "Group") has been prepared in accordance with the regulations on Disclosure of Information in Quarterly Reports for Listed Companies issued by the China Securities Regulatory Commission. The Report set out below is published simultaneously in Shanghai of the People's Republic of China (the "PRC") and Hong Kong. All financial information set out in this third quarterly report is unaudited and prepared in accordance with the accounting principles generally accepted in the PRC (the "PRC GAAP").

## 2. PARTICULARS OF THE COMPANY

### 2.1 Principal financial data and statistics highlights

	As at 30 September 2013	As at 31 December 2012		Increase/ Decrease (%)
		After adjustment	Before adjustment	
Total assets (RMB)	57,378,611,606.45	57,860,522,758.03	57,860,522,758.03	-0.83
Net assets attributable to shareholders of the Company (RMB)	22,262,330,928.30	23,517,137,327.04	23,517,137,327.04	-5.34
Net assets per share attributable to shareholders of the Company (RMB)	6.5390	6.9076	6.9076	-5.34
	January - September 2013	January - September 2012		Increase/ Decrease (%)
		After adjustment	Before adjustment	
Net cash flow from operating activities (RMB)	789,636,870.42	-8,798,762.37	-8,798,762.37	9,074.41
Net cash flow from operating activities per share (RMB)	0.2319	-0.0026	-0.0026	9,074.41
	January - September 2013	January - September 2012		Increase/ Decrease (%)
		After adjustment	Before adjustment	
Revenue from operation (RMB)	8,171,987,400.56	8,485,799,523.51	8,485,799,523.51	-3.70
Net profit attributable to shareholders of the Company (RMB)	-1,195,218,510.57	-401,677,464.97	-406,167,375.90	-197.56
Net profit attributable to shareholders of the Company after exceptional items (RMB)	-1,189,922,360.63	-498,326,086.20	-502,815,997.13	-138.78
Rate of returns on net assets (%) (weighted)	-5.22	-1.70	-1.74	Down 3.52 percentage points
Basic earnings per share (RMB)	-0.3511	-0.1180	-0.1193	-197.54
Diluted earnings per share (RMB)	-0.3511	-0.1180	-0.1193	-197.54
Basic earnings per share after exceptional items (RMB)	-0.3495	-0.1464	-0.1477	-138.73

Reasons for adjustment: The Company changed subsequent treatment model for its investment properties in the 4th quarter of 2012, and the Company refund the depreciation which has been drawn in the nine months ended 30 September 2012 according to PRC GAAP accordingly.

## Exceptional items and amount

Items	Amount (RMB) July - September 2013	Amount (RMB) January-September 2013
Profit and Loss on disposal of non-current assets	-155,733.02	-9,303,043.03
Government subsidies credited to current profit or loss (other than those closely related to the normal business operations of the Company in accordance with the requirements of the State's policy and pursuant to a standardized and fixed amount or quantity enjoyed on a continuous basis)	78,000.00	9,683,277.06
Other net non-operating income and expenses except for the aforesaid items	405,880.83	-7,341,058.27
Income tax effect	-75,918.96	1,740,206.06
Minority interests effect (after tax)	-4,908.55	-75,531.76
Total	247,320.30	-5,296,149.94

## 2.2 Total number of shareholders as at the end of the Reporting Period and the shareholding of the top 10 shareholders of unrestricted shares of the Company

Total number of shareholders		102,954 (including 102,511 holders of A shares and 443 holders of H shares)			
Top 10 shareholders					
Name of shareholders (Full Name)	Type of shareholders	Shareholding (%)	Number of shares	Number of shares with selling restrictions	Number of shares subject to pledge or lock up
China Shipping (Group) Company	Stated-owned entity	46.36	1,578,500,000	0	Nil
HKSCC NOMINEES LIMITED	Foreign entity	37.80	1,287,058,896	0	Nil
GF - Bank of Communications - GF Aggregate Asset Management Plan (No. 3)	Others	0.24	8,242,641	0	Nil
Peng Jianhui	Domestic natural person	0.10	3,293,429	0	Nil

China Resources SZITIC Trust Co. Ltd. — Feng Ling Phase 1 Securities Investment Trust Fund	Others	0.09	3,164,587	0	Nil
Ou Qiongzhi	Domestic natural person	0.05	1,801,500	0	Nil
Ou Jiarui	Domestic natural person	0.05	1,647,904	0	Nil
Ding Jinxiang	Domestic natural person	0.05	1,568,670	0	Nil
Luo Liujiang	Domestic natural person	0.05	1,567,170	0	Nil
Liu Wenhua	Domestic natural person	0.05	1,566,995	0	Nil
<b>Top ten holders of shares in circulation without any selling restrictions</b>					
<b>Name of shareholder (full name)</b>		<b>Number of shares in circulation without any selling restrictions as at the end of the reporting period</b>		<b>Type of shares</b>	
China Shipping (Group) Company		1,578,500,000		RMB denominated ordinary shares	
HKSCC NOMINEES LIMITED		1,287,058,896		Overseas listed foreign invested shares	
GF - Bank of Communications - GF Aggregate Asset Management Plan (No. 3)		8,242,641		RMB denominated ordinary shares	
Peng Jianhui		3,293,429		RMB denominated ordinary shares	
China Resources SZITIC Trust Co. Ltd. — Feng Ling Phase 1 Securities Investment Trust Fund		3,164,587		RMB denominated ordinary shares	
Ou Qiongzhi		1,801,500		RMB denominated ordinary shares	
Ou Jiarui		1,647,904		RMB denominated ordinary shares	
Ding Jinxiang		1,568,670		RMB denominated ordinary shares	
Luo Liujiang		1,567,170		RMB denominated ordinary shares	
Liu Wenhua		1,566,995		RMB denominated ordinary shares	

### 3. SIGNIFICANT EVENTS

#### 3.1 Significant changes in the principal items and highlights in the financial statements of the Company and the reasons

Applicable                       Not Applicable

*Unit: RMB*

Balance sheet items	30 September 2013	31 December 2012	Change (%)	Reasons for significant changes
Cash	1,875,202,660.88	3,285,744,885.61	-42.93	Due to a significant increase in the cash payment by the Company
Notes receivable	116,838,843.58	199,817,806.92	-41.53	Due to the expiry of notes receivable at the end of current period
Prepayment	585,816,208.60	316,333,024.87	85.19	Due to an increase in provision for prepayments at the end of current period
Other receivables	107,313,636.85	389,827,578.15	-72.47	Due to a decrease in the amounts of receivables and advances at the end of current period
Long-term receivables	185,825,481.13	110,198,146.36	68.63	Due to an increase in long-term borrowings by an associate of the subsidiary of the Company at the end of current period
Construction in progress	3,829,651,564.16	5,902,873,231.20	-35.12	Due to completion of some vessels at the end of current period
Fix assets pending for disposal	62,773,460.54	0.00	—	Due to the accrual fix assets pending for disposal in the current period
Short-term borrowings	3,579,863,836.97	1,419,908,152.39	152.12	Due to an increase in the borrowings of short-term funds at the end of current period

Notes payable	50,000,000.00	0.00	—	Due to the increase of charges of fuel oil and charges of new ship building to suppliers in the current period
Receipts in advance	195,342,059.63	71,004,821.82	175.11	Due to an increase in prepayments from customers at the end of current period
Salaries and wages payable	25,463,536.98	51,048,505.15	-50.12	Due to the payment of remuneration at the end of current period
Taxes payable	-693,926,753.06	-311,043,970.48	-123.10	Due to an increase in input VAT upon completion of vessels at the end of current period
Other payables	595,255,147.10	899,155,675.83	-33.80	Due to a decrease in amounts payable for vessel construction at the end of current period
Non-current liabilities due within one year	1,322,157,472.58	2,774,980,819.51	-52.35	Due to a decrease in long-term liabilities due for maturity at the end of current period
Long-term payables	1,172,181,227.67	637,526,299.75	83.86	Due to an increase in amounts payable to minority shareholders by joint venture companies at the end of current period
Special reserve	40,185,762.28	5,157,254.98	679.21	Due to an increase in the balance of provision for production safety fund at the end of current period

<b>Income statement items</b>	<b>January-September 2013</b>	<b>January-September 2012</b>	<b>Change (%)</b>	<b>Reasons for significant changes</b>
Business tax and surcharge	4,058,256.10	60,231,634.40	-93.26	Due to further expansion of the applicable scope of conversion from business tax to VAT
Finance costs	704,093,390.99	394,651,354.18	78.41	Due to expensing of interest expenses on borrowings upon vessel completion
Gains from investment	-3,466,328.22	198,641,609.73	-101.75	Due to losses incurred by the company under computation by equity accounting method
Non-operating income	19,698,274.40	125,336,638.07	-84.28	Due to a decrease in the amount of government subsidies received
Income tax	13,576,698.77	-347,210,909.22	103.91	Due to reversal of deferred income tax liabilities of previous year
Minority interests	17,582,989.68	42,578,284.50	-58.70	Due to a decrease in profits from non-wholly owned subsidiaries

<b>Cash flow statement items</b>	<b>January-September 2013</b>	<b>January-September 2012</b>	<b>Change (%)</b>	<b>Reasons for significant changes</b>
Net cash flow generated from operating activities	789,636,870.42	-8,798,762.37	9,074.41	Due to an increase in advanced receipts of trade receivables from beginning of the year to the end of the reporting period
Net cash flow generated from investing activities	-1,944,761,337.18	-4,097,701,341.61	52.54	Due to a decrease in cash payments for the purchases and construction of fixed assets, intangible assets and other long-term assets from beginning of the year to the end of the reporting period
Net cash flow generated from financing activities	-218,403,797.91	4,873,449,248.82	-104.48	Due to cash proceeds received from bonds issued last year

### **3.2 Progress of significant events and analysis of their impacts and solutions**

Applicable                       Not Applicable

### **3.3 Performance of undertakings made by the Company, its shareholders and de facto controllers**

#### **Undertakings of controlling shareholders**

- (1) On 23 May 2001, China Shipping (Group) Company (“China Shipping”), the controlling shareholder of the Company, made the following non-competition undertakings to the Company:
  - a. not to engage in any business that competes with the Company; and
  - b. not to support any entities under its control to commence any business that competes with the Company.
  
- (2) In order to avoid any peer competition between China Shipping and its controlled entities (for the purpose of the undertaking, including the wholly-owned, majority-controlled or controlled subsidiaries under China Shipping but excluding the Company and its majority-controlled subsidiaries) with the Company, on 15 June 2011, China Shipping made further non-competition undertakings below in addition to the continuous performance of those previously made:
  - a. China Shipping positioned the Company as the ultimate integrated sole business platform under China Shipping to specialize in oil shipping, bulk cargo and LNG transportation.
  - b. For bulk cargo carriers and oil tankers owned by China Shipping and its controlled non-listed entities, China Shipping undertook to inject such bulk cargo carrier and oil tanker assets into the Company by way of merger and acquisition and restructuring of assets, or to dispose of such assets to external parties when the appropriate opportunities arise within 5 years, thus eliminating the peer competition between China Shipping and the Company to promote the sustainable and stable growth of the Company.



- c. For bulk cargo carriers and oil tankers chartered by China Shipping (Hong Kong) Holdings Co., Ltd. (“China Shipping (H.K.) Holdings”), a majority-controlled subsidiary of China Shipping, by way of finance leases, China Shipping undertook to inject such bulk cargo carrier and oil tanker assets into the Company by way of merger and acquisition and restructuring of assets, or to dispose of such assets to external parties, subject to the completion of procedures for acquiring ownership of such vessels under finance leases by China Shipping (H.K.) Holdings when the appropriate opportunities arise within 5 years.
- d. Before completion of the injection of such bulk cargo carrier and oil tanker assets into the Company or otherwise disposal to external parties, China Shipping will, pursuant to the business needs of the Company, charter the above vessels to the Company (including its majority-controlled subsidiaries and/or joint venture companies) for operation based on market-oriented principles, or entrust such vessels to the Company (including its majority-controlled subsidiaries and/or joint venture companies) for operation and management, so as to avoid peer competition.

China Shipping has proactively performed its undertakings for avoiding peer competition and has taken necessary steps since the listing of A shares of the Company with efforts so as to eliminate and prevent peer competition with the Company.

#### **3.4 Warning in respect of forecast of possible accumulated net loss for the period from the beginning of the financial year of 2013 to the end of 2013 or warning in respect of forecast of possible significant changes in accumulated net profit as compared with that of the 2012 and reasons therefore**

Since the beginning of 2013, there has been a sustained downturn in the domestic and overseas shipping markets. It is expected that the Group will still record accumulated net losses for the whole year of 2013.

## 4. APPENDIX

### 4.1 Consolidated Balance Sheet

Items	30 September 2013 <i>RMB</i>	31 December 2012 <i>RMB</i>
<b>Current assets</b>		
Cash	1,875,202,660.88	3,285,744,885.61
Notes receivables	116,838,843.58	199,817,806.92
Accounts receivables	1,362,816,320.42	1,285,048,607.55
Prepayments	585,816,208.60	316,333,024.87
Dividends receivables	50,000,000.00	50,000,000.00
Other receivables	107,313,636.85	389,827,578.15
Inventories	922,244,035.63	934,159,315.39
Non-current assets to be mature in less than one year	478,951.34	478,951.34
<b>Total current assets</b>	<b>5,020,710,657.30</b>	<b>6,461,410,169.83</b>
<b>Non-current assets</b>		
Long-term accounts receivables	185,825,481.13	110,198,146.36
Long-term equity investment	4,004,310,044.76	4,026,241,351.94
Investment properties	1,193,458,437.00	1,193,458,437.00
Fixed assets	42,758,241,269.54	39,830,821,324.21
Construction in progress	3,829,651,564.16	5,902,873,231.20
Fixed assets pending for disposal	62,773,460.54	—
Intangible assets	13,282,817.60	17,800,060.64
Long-term deferred expenses	68,557,013.15	75,919,175.58
Deferred tax assets	241,800,861.27	241,800,861.27
<b>Total non-current assets</b>	<b>52,357,900,949.15</b>	<b>51,399,112,588.20</b>
<b>Total assets</b>	<b>57,378,611,606.45</b>	<b>57,860,522,758.03</b>

Items	30 September 2013 RMB	31 December 2012 RMB
<b>Current liabilities</b>		
Short-term loans	3,579,863,836.97	1,419,908,152.39
Notes payable	50,000,000.00	
Accounts payable	1,365,011,247.67	1,207,913,382.69
Advanced receipts	195,342,059.63	71,004,821.82
Salaries and wages payable	25,463,536.98	51,048,505.15
Taxes payable	-693,926,753.06	-311,043,970.48
Interests payable	235,190,160.78	210,005,249.88
Other payables	595,255,147.10	899,155,675.83
Non-current liabilities to be mature in less than one year	1,322,157,472.58	2,774,980,819.51
<b>Total current liabilities</b>	<b>6,674,356,708.65</b>	<b>6,322,972,636.79</b>
<b>Non-current liabilities</b>		
Long-term loans	14,862,158,302.59	15,100,104,924.71
Bonds payable	11,341,707,268.67	11,226,428,680.68
Long-term payables	1,172,181,227.67	637,526,299.75
Deferred tax liabilities	182,560,109.26	175,169,325.02
Other non-current liabilities	7,779,435.32	12,757,676.04
<b>Total non-current liabilities</b>	<b>27,566,386,343.51</b>	<b>27,151,986,906.20</b>
<b>Total liabilities</b>	<b>34,240,743,052.16</b>	<b>33,474,959,542.99</b>
<b>Shareholders' equity</b>		
Share capital	3,404,553,194.00	3,404,552,613.00
Capital reserve	5,095,087,330.37	5,091,999,246.81
Specific reserve	40,185,762.28	5,157,254.98
Surplus reserve	2,877,436,346.44	2,877,436,346.44
Undistributed profit	11,847,622,792.63	13,042,841,303.20
Exchange difference on translation of foreign currency	-1,002,554,497.42	-904,849,437.39
Total equity attributable to owners of the parent company	22,262,330,928.30	23,517,137,327.04
Minority interests	875,537,625.99	868,425,888.00
<b>Total shareholders' equity</b>	<b>23,137,868,554.29</b>	<b>24,385,563,215.04</b>
<b>Total liabilities and shareholders' equity</b>	<b>57,378,611,606.45</b>	<b>57,860,522,758.03</b>

## Balance Sheet of Parent Company

Items	30 September 2013 RMB	31 December 2012 RMB
<b>Current assets</b>		
Cash	169,564,764.48	1,278,981,919.82
Notes receivables	48,189,052.87	49,109,983.50
Accounts receivables	361,592,244.14	432,288,831.60
Prepayments	267,348,911.25	135,537,021.52
Interests receivables	16,192,258.32	10,205,005.56
Dividends receivables	50,000,000.00	50,000,000.00
Other receivables	5,134,073,107.41	6,030,659,740.26
Inventories	302,895,572.96	347,402,826.16
<b>Total current assets</b>	<b>6,349,855,911.43</b>	<b>8,334,185,328.42</b>
<b>Non-current assets</b>		
Held-to-maturity investment	6,305,000,000.00	6,305,000,000.00
Long-term equity investment	12,218,431,237.38	11,735,302,241.60
Investment properties	1,193,458,437.00	1,193,458,437.00
Fixed assets	14,029,977,658.25	13,337,068,017.66
Construction in progress	13,226,461.43	1,062,042,195.53
Intangible assets	10,780,615.28	14,036,631.06
Long-term deferred expenses	12,780,000.00	15,975,000.00
Deferred tax assets	152,852,144.29	152,852,144.29
<b>Total non-current assets</b>	<b>33,936,506,553.63</b>	<b>33,815,734,667.14</b>
<b>Total assets</b>	<b>40,286,362,465.06</b>	<b>42,149,919,995.56</b>
<b>Current liabilities</b>		
Short-term loans	600,000,000.00	628,550,000.00
Notes payable	416,430,408.60	458,236,678.93
Advanced receipts	10,650,418.13	16,266,688.19
Salaries and wages payable	15,721,875.70	27,569,633.15
Taxes payable	-372,139,034.93	-8,592,207.33
Interests payable	219,219,667.10	187,721,512.24
Other payables	756,111,991.80	523,797,354.70
Non-current liabilities to be mature in less than one year	1,300,000,000.00	1,300,000,000.00
<b>Total current liabilities</b>	<b>2,945,995,326.40</b>	<b>3,133,549,659.88</b>

Items	30 September 2013 <i>RMB</i>	31 December 2012 <i>RMB</i>
<b>Non-current liabilities</b>		
Long-term loans	3,689,300,000.00	5,000,000,000.00
Bonds payable	11,341,707,268.67	11,226,428,680.68
Long-term payables	12,990,000.00	
Deferred tax liabilities	148,865,805.36	148,865,805.36
Other non-current liabilities	631.84	631.84
<b>Total non-current liabilities</b>	15,192,863,705.87	16,375,295,117.88
<b>Total liabilities</b>	18,138,859,032.27	19,508,844,777.76
<b>Shareholders' equity</b>		
Share capital	3,404,553,194.00	3,404,552,613.00
Capital reserve	5,105,010,079.93	5,105,009,421.48
Specific reserve	29,742,721.77	93.84
Surplus reserve	2,877,436,346.44	2,877,436,346.44
Undistributed profit	10,730,761,090.65	11,254,076,743.04
<b>Total shareholders' equity</b>	22,147,503,432.79	22,641,075,217.80
<b>Total liabilities and shareholders' equity</b>	40,286,362,465.06	42,149,919,995.56

## 4.2 Consolidated Income Statement

Items	July- September 2013 RMB	July- September 2012 RMB	January- September 2013 RMB	January- September 2012 RMB
<b>1. Gross revenue from operations</b>	2,926,662,447.17	2,814,498,884.48	8,171,987,400.56	8,485,799,523.51
Including: revenue from operation	2,926,662,447.17	2,814,498,884.48	8,171,987,400.56	8,485,799,523.51
<b>2. Gross cost from operations</b>	3,172,383,074.23	3,125,409,944.07	9,325,619,070.22	9,486,880,633.76
Including: cost from operation	2,832,036,090.33	2,854,412,932.46	8,306,102,806.67	8,712,242,046.54
Business taxes and other surcharges	1,317,704.13	18,021,331.86	4,058,256.10	60,231,634.40
Sales expenses	12,610,688.67	14,973,299.11	32,855,080.24	41,704,572.51
Administrative expenses	106,249,636.49	111,395,465.08	278,509,536.22	278,051,026.13
Financial expenses	220,168,954.61	126,606,915.56	704,093,390.99	394,651,354.18
Investment income	30,744,592.21	42,713,545.39	-3,466,328.22	198,641,609.73
Including: investment income from associates and joint ventures	32,638,592.22	38,552,865.65	-5,096,539.42	190,678,185.27
<b>3. Operating profit</b>	-214,976,034.85	-268,197,514.20	-1,157,097,997.88	-802,439,500.52
Add: Non-operating revenue	7,053,114.40	30,724,778.33	19,698,274.40	125,336,638.07
Less: Non-operating expenditure	6,724,966.59	10,835,159.43	26,659,098.64	29,207,227.24
Including: Loss arising from disposal of non-current assets	154,536.60	4,389,675.30	9,303,043.03	15,130,493.72
<b>4. Gross profit</b>	-214,647,887.04	-248,307,895.30	-1,164,058,822.12	-706,310,089.69
Less: Income tax	8,221,784.42	-347,379,875.89	13,576,698.77	-347,210,909.22
<b>5. Net profit</b>	-222,869,671.46	99,071,980.59	-1,177,635,520.89	-359,099,180.47
Net profit attributable to owners of parent company	-246,669,644.18	90,715,108.05	-1,195,218,510.57	-401,677,464.97
Net profit attributable to minority shareholders	23,799,972.72	8,356,872.54	17,582,989.68	42,578,284.50
<b>6. Earnings per share</b>				
(1) Basic	-0.0725	0.0266	-0.3511	-0.1180
(2) Diluted	-0.0725	0.0266	-0.3511	-0.1180
<b>7. Other comprehensive income</b>	-6,414,673.29	-456,221.66	-105,577,037.67	65,734,998.54
<b>8. Total comprehensive income</b>	-229,284,344.75	94,125,848.00	-1,283,212,558.56	-297,854,092.86
Total comprehensive income attributable to owners of parent company	-244,607,806.55	89,938,071.57	-1,289,836,145.22	-336,617,453.45
Total comprehensive income attributable to minority shareholders	15,323,461.80	4,187,776.43	6,623,586.66	38,763,360.59

## Income Statement of Parent Company

Items	July- September 2013 RMB	July- September 2012 RMB	January- September 2013 RMB	January- September 2012 RMB
<b>1. Revenue from operations</b>	996,252,297.26	1,156,623,662.62	2,962,824,543.90	4,778,470,793.21
Less: cost from operation	913,062,246.20	1,130,500,453.58	2,853,172,169.73	4,982,420,119.37
Business taxes and other surcharges	423,364.98	5,405,574.79	1,650,856.25	44,432,349.96
Sales expenses	2,715,957.25	6,550,337.41	6,805,846.48	33,281,610.81
Administrative expenses	48,288,187.00	55,687,403.42	132,077,088.10	190,711,585.76
Financial expenses	249,501,093.58	43,370,305.45	750,716,372.79	238,645,987.96
Investment income	118,766,059.37	67,593,451.72	253,727,760.04	236,223,378.59
Including: investment income from associates and joint ventures	32,886,022.88	38,552,865.65	-71,004.22	190,678,162.55
<b>2. Operating profit</b>	-98,972,492.38	-17,296,960.31	-527,870,029.41	-474,797,482.06
Add: Non-operating revenue	3,584,585.29	23,352,911.20	12,664,655.46	124,895,626.93
Less: Non-operating expenditure	1,727,829.23	7,640,749.74	8,110,278.44	15,272,802.70
Including: Loss arising from disposal of non-current assets	155,725.41	4,309,737.00	325,648.25	4,310,552.74
<b>3. Gross profit</b>	-97,115,736.32	-1,584,798.85	-523,315,652.39	-365,174,657.83
Less: Income tax				1,105,914.90
<b>4. Net profit</b>	-97,115,736.32	-1,584,798.85	-523,315,652.39	-366,280,572.73
<b>5. Earnings per share</b>				
(1) Basic	-0.0285	-0.0005	-0.1537	-0.1076
(2) Diluted	-0.0285	-0.0005	-0.1537	-0.1076
<b>6. Other comprehensive income</b>				
<b>7. Total comprehensive income</b>	-97,115,736.32	-1,584,798.85	-523,315,652.39	-366,280,572.73

### 4.3 Consolidated Cash Flow Statement

Items	January - September 2013 <i>RMB</i>	January - September 2012 <i>RMB</i>
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and provision of services	8,358,717,336.47	8,077,454,351.31
Cash received from return of taxes and fees	43,559,541.75	35,387,962.98
Cash received from other related operating activities	202,624,066.05	190,089,685.17
Subtotal of cash inflow from operating activities	8,604,900,944.27	8,302,931,999.46
Cash paid for goods and services	6,014,044,534.83	6,443,724,055.87
Cash paid to or on behalf of employees	1,243,436,511.84	1,193,440,210.17
Taxes paid	37,133,450.67	190,737,337.79
Other cash paid relating to operating activities	520,649,576.51	483,829,158.00
Subtotal of cash outflow from operating activities	7,815,264,073.85	8,311,730,761.83
Net cash flows from operating activities	789,636,870.42	-8,798,762.37
<b>2. Cash flows from investing activities</b>		
Cash received from withdrawal of investment	37,000,000.00	
Cash inflow from return on investment	18,599,093.39	284,954,870.93
Net cash inflow from disposal of fixed, intangible and other long-term assets	116,217,318.20	136,808,969.23
Other cash received relating to investing activities		204,132,077.56
Subtotal of cash inflow from investing activities	171,816,411.59	625,895,917.72
Cash paid for purchase of fixed, intangible and other long-term assets	1,929,967,038.19	4,207,225,483.37
Cash paid for investment	186,610,710.58	516,371,775.96
Subtotal of cash outflow from investing activities	2,116,577,748.77	4,723,597,259.33
Net cash flows from investing activities	-1,944,761,337.18	-4,097,701,341.61



Items	January - September 2013 <i>RMB</i>	January - September 2012 <i>RMB</i>
<b>3. Cash flows from financing activities</b>		
Cash received from investments	7,464.96	
Cash received from borrowings	5,783,525,836.68	6,344,878,444.80
Cash inflow from raising capital		2,500,000,000.00
Other cash received relating to financing activities		
Sub-total of cash inflows of financing activities	5,783,533,301.64	8,844,878,444.80
Cash paid for payment of debts	5,305,271,297.07	3,147,161,252.81
Cash paid for distribution of dividends or profits and for interest expenses	689,780,287.06	822,789,189.17
Other cash paid relating to financing activities	6,885,515.42	1,478,754.00
Subtotal of cash outflow from financing activities	6,001,937,099.55	3,971,429,195.98
Net cash flows from financing activities	-218,403,797.91	4,873,449,248.82
<b>4. Effect on cash and cash equivalents from change of exchange rates</b>	-37,013,960.06	-32,453,823.60
<b>5. Net increase in cash and cash equivalents</b>	-1,410,542,224.73	734,495,321.24
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	3,285,744,885.61	3,376,692,007.19
<b>6. Balance of cash and cash equivalents at the end of the Reporting Period</b>	1,875,202,660.88	4,111,187,328.43

## Cash Flow Statement of Parent Company

Items	January - September 2013 <i>RMB</i>	January - September 2012 <i>RMB</i>
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and provision of services	2,038,898,657.63	3,301,632,761.44
Cash received from return of taxes and fees	6,526,698.07	35,097,962.98
Cash received from other related operating activities	1,543,856,352.78	372,523,265.14
Subtotal of cash inflow from operating activities	3,589,281,708.48	3,709,253,989.56
Cash paid for goods and services	1,255,630,721.00	3,019,785,632.77
Cash paid to or on behalf of employees	614,967,038.22	1,036,657,964.64
Taxes paid	19,159,788.40	172,230,940.36
Other cash paid relating to operating activities	350,656,817.95	480,523,115.11
Subtotal of cash outflow from operating activities	2,240,414,365.57	4,709,197,652.88
Net cash flows from operating activities	1,348,867,342.91	-999,943,663.32
<b>2. Cash flows from investing activities</b>		
Cash inflow from return on investment	271,526,492.05	292,465,718.58
Net cash inflow from disposal of fixed, intangible and other long-term assets	87,970,250.39	91,565,641.72
Subtotal of cash inflow from investing activities	359,496,742.44	384,031,360.30
Cash paid for purchase of fixed, intangible and other long-term assets	463,828,068.40	1,726,181,446.93
Cash paid for investment	500,000,000.00	2,038,240,200.00
Subtotal of cash outflow from investing activities	963,828,068.40	3,764,421,646.93
Net cash flows from investing activities	-604,331,325.96	-3,380,390,286.63

Items	January - September 2013 <i>RMB</i>	January - September 2012 <i>RMB</i>
<b>3. Cash flows from financing activities</b>		
Cash received from borrowings	2,213,251,293.70	3,791,995,463.50
Cash inflow from raising capital		2,500,000,000.00
Sub-total of cash inflows of financing activities	2,213,251,293.70	6,291,995,463.50
Cash paid for payment of debts	3,560,466,000.00	1,549,103,596.00
Cash paid for distribution of dividends or profits and for interest expenses	497,108,654.32	615,773,528.72
Other cash paid relating to financing activities		
Subtotal of cash outflow from financing activities	4,057,574,654.32	2,164,877,124.72
Net cash flows from financing activities	-1,844,323,360.62	4,127,118,338.78
<b>4. Effect on cash and cash equivalents from change of exchange rates</b>	-9,629,811.67	-116,648,490.96
<b>5. Net increase in cash and cash equivalents</b>	-1,109,417,155.34	-369,864,102.13
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	1,278,981,919.82	1,795,816,557.48
<b>6. Balance of cash and cash equivalents at the end of the Reporting Period</b>	169,564,764.48	1,425,952,455.35

This announcement is made in compliance with Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company's A Shares are listed on the Shanghai Stock Exchange, and the Shanghai Stock Exchange has required the Company to make an announcement similar to this announcement in Shanghai.

By order of the Board  
**China Shipping Development Company Limited**  
**Yao Qiaohong**  
*Company Secretary*

Shanghai, the PRC  
29 October 2013

*As at the date of this announcement, the board of directors of the Company comprises Mr. Li Shaode, Mr. Xu Lirong, Mr. Zhang Guofa, Mr. Wang Daxiong, Ms. Su Min, Mr. Huang Xiaowen, Mr. Ding Nong, Mr. Han Jun and Mr. Qiu Guoxuan as executive directors, Mr. Zhu Yongguang, Mr. Zhang Jun, Mr. Lu Wenbin, Mr. Wang Wusheng and Mr. Lin Junlai as independent non-executive directors.*