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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)

First Quarterly Report of 2015

Summary

This Report for the three months ended 31 March 2015 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 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

- 1.1 This first quarterly report (the “Report”) for the three months ended 31 March 2015 (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 is published simultaneously in Shanghai of the People’s Republic of China (the “PRC”) and the Hong Kong Special Administrative Region. All financial information set out in the 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 31 March 2015	As at 31 December 2014	Increase/ Decrease (%)
Total assets (RMB)	66,409,345,580.77	65,750,401,623.91	1.00
Net assets attributable to shareholders of the Company (RMB)	25,904,458,341.08	21,829,000,679.87	18.67
	For the three months ended 31 March 2015	For the three months ended 31 March 2014	Increase/ Decrease (%)
Net cash flow from operating activities (RMB)	828,776,977.48	508,020,419.38	63.14
	For the three months ended 31 March 2015	For the three months ended 31 March 2014	Increase/ Decrease (%)
Revenue from operation (RMB)	2,921,154,760.26	3,193,757,512.09	-8.54
Net profit attributable to shareholders of the Company (RMB)	65,946,282.59	51,931,458.49	26.99
Net profit attributable to shareholders of the Company after exceptional items (RMB)	40,078,744.68	48,144,549.86	-16.75
Rate of returns on net assets (%) (weighted)	0.28	0.24	Increase by 0.04 percentage points
Basic earnings per share (RMB)	0.0180	0.0153	17.65
Diluted earnings per share (RMB)	0.0164	0.0134	22.39

Exceptional items and amount	For the three months ended 31 March 2015
Items	Amount (RMB)
Profit and Loss on disposal of non-current assets	-23,615.24
Government grants included in gains or losses for the current period, excluding those closely related to the Company's ordinary business and granted on an on-going basis in fixed amount or volume according to certain standards and adhering to certain principles under national policies	32,525,326.41
Other profits or losses within the definition of extraordinary profit or loss	1,990,526.09
Minority interests effect (after tax)	-1,640.03
Income tax effect	-8,623,059.32
Total	25,867,537.91

2.2 Total number of shareholders as at the end of the Reporting Period, the shareholding of the top 10 shareholders and shareholding of the top 10 shareholders without any selling restrictions of the Company

Total number of shareholders			144,973		
Top 10 shareholders					
Name of shareholders (Full Name)	Number of shares	Shareholding (%)	Number of shares with selling restrictions	Number of shares subject to pledge or lock up	Type of shareholders
China Shipping (Group) Company (中國海運(集團)總公司)	1,604,081,495	39.78	0	Nil	Stated-owned entity
HKSCC NOMINEES LIMITED	1,287,506,896	31.93	0	Unknown	Offshore entity
Wuhan Iron and Steel Group Corporation (武漢鋼鐵(集團)公司)	137,863,804	3.42	0	Nil	Stated-owned entity
Agricultural Bank of China Limited — Fargo China Securities State-owned Enterprise Reform Index Graded Securities Investment Fund (中國農業銀行股份有限公司 — 富國中證國有企業改革指數分級證券投資基金)	12,861,524	0.32	0	Nil	Others
Zhongrong Life Insurance Co., Ltd. — Bonus Insurance Products (中融人壽保險股份有限公司 — 分紅保險產品)	8,999,970	0.22	0	Nil	Others
Abu Dhabi Investment Authority (阿布達比投資局)	5,606,465	0.14	0	Nil	Offshore entity
Meng Diliang (蒙棣良)	5,010,371	0.12	0	Nil	Domestic natural person
ST Asset Management Ltd — Customer Funds (新加坡科技資產管理有限公司 — 客戶資金)	4,807,692	0.12	0	Nil	Offshore entity
National Social Security Fund Portfolio 412 (全國社保基金四一二組合)	4,431,981	0.11	0	Nil	Others
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	4,331,800	0.11	0	Nil	Offshore entity

Top ten holders of shares in circulation without any selling restrictions		
Name of Shareholders (full name)	Number of shares in circulation without any selling restrictions as at the end of the reporting period	Type of shares
China Shipping (Group) Company	1,604,081,495	RMB ordinary shares
HKSCC NOMINEES LIMITED	1,287,506,896	Offshore listed H shares
Wuhan Iron and Steel Group Corporation	137,863,804	RMB ordinary shares
Agricultural Bank of China Limited — Fargo China Securities State-owned Enterprise Reform Index Graded Securities Investment Fund	12,861,524	RMB ordinary shares
Zhongrong Life Insurance Co., Ltd. — Bonus Insurance Products	8,999,970	RMB ordinary shares
Abu Dhabi Investment Authority	5,606,465	RMB ordinary shares
Meng Diliang	5,010,371	RMB ordinary shares
ST Asset Management Ltd — Customer Funds	4,807,692	RMB ordinary shares
National Social Security Fund Portfolio 412	4,431,981	RMB ordinary shares
Hong Kong Securities Clearing Company Limited	4,331,800	RMB ordinary shares

Top ten holders of shares in circulation without any selling restrictions		
Name of Shareholders (full name)	Number of shares in circulation without any selling restrictions as at the end of the reporting period	Type of shares
Description of connected relationships or concerted actions among the above shareholders	<p>The Company has no shareholder of restricted shares, therefore the top 10 shareholders are the same as the top 10 shareholders of unrestricted shares. No connected relationship exists between the 1st shareholder and the 2nd to 10th shareholders, but it is unknown whether connected relationship or concerted action relationship exist among the 2nd to 10th shareholders.</p> <p>HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司) holds H shares of the Company on behalf of customers of all securities firms in Hong Kong and other CCASS participants.</p> <p>Hong Kong Securities Clearing Company Limited is the nominee shareholder for A shares under Shanghai-Hong Kong Stock Connect.</p>	
Description of preference shareholders with resumption of voting rights and the number of shares held	N/A	

3. SIGNIFICANT EVENTS

3.1 Significant changes in the principal items and highlights in the financial statements of the Company during the Reporting Period and the reasons

Unit: RMB

Balance sheet items	2015.03.31	2014.12.31	Change(%)	Reasons for significant changes
Notes receivable	320,073,319.54	238,629,601.40	34.13%	Mainly due to the increase in business settled by bills which were not yet due for payment.
Prepayments	705,098,291.86	400,745,311.18	75.95%	Mainly due to the increases in prepaid agency fees, repair charges and outsourced labour wages for crew at the end of the quarter.
Assets classified as being held available for sale	848,713,332.86		full growth	Mainly due to an increase in aged vessels for disposal.
Receipts in advance	282,445,035.32	185,002,919.43	52.67%	Mainly due to the growth in customers' freight payments in advance.
Interest payable	276,051,413.93	147,194,766.29	87.54%	Mainly due to an increase in interest received from medium term notes.
Other payables	468,123,974.99	203,717,360.41	129.79%	Mainly due to the usage of internal funds of CSDHK.
Non-current liabilities to be mature within one year	1,067,215,468.27	6,310,887,983.04	-83.09%	Mainly due to the conversion of convertible bonds into shares and redemption of convertible bonds.

Balance sheet items	2015.03.31	2014.12.31	Change(%)	Reasons for significant changes
Share capital	4,032,032,861.00	3,481,405,286.00	15.82%	Mainly due to the conversion of convertible bonds into shares.
Other equity instruments		766,025,282.16	-100.00%	Mainly due to the conversion of convertible bonds into shares.
Capital reserves	8,682,983,659.18	4,429,866,191.27	96.01%	Mainly due to the conversion of convertible bonds into shares.

Income statement items	January to March 2015	January to March 2014	Change(%)	Reasons for significant changes
Business tax and surcharge	3,758,366.65	2,638,150.47	42.46%	Mainly due to an increase in circulation tax paid for the period.
Investment gains	2,920,045.40	56,232,046.73	-94.81%	Mainly due to a decline in the results of joint venture companies.
Non-operating income	36,431,703.73	18,738,697.35	94.42%	Mainly due to an increase in government grants for the period.
Non-operating expenses	1,939,466.47	13,688,605.89	-85.83%	Mainly due to a decrease in the expenses for resigned and retired employees.

Income statement items	January to March 2015	January to March 2014	Change(%)	Reasons for significant changes
Income tax expenses	49,667,265.23	7,435,756.34	567.95%	Mainly due to greater differences in earnings from various subsidiaries of the Group, better performance of profitable entities as compared to the corresponding period of last year resulted in an increase in income tax prepayments.
Other comprehensive income	-49,197,448.29	51,440,884.54	-195.64%	Mainly due to the decrease in the forward US dollar interest rate swap done by single-vessel companies affiliated with China Energy Shipping Investment Company Limited, a non-wholly-owned subsidiary of the Company.

Cash flow statement items	January to March 2015	January to March 2014	Change (%)	Reasons for significant changes
Net cash flow from operating activities	828,776,977.48	508,020,419.38	63.14%	Mainly due to the decrease in the purchases of commodities and remuneration payments.
Net cash flow from investing activities	-708,044,322.37	-1,690,361,787.51	58.11%	Mainly due to a decrease in the purchase of fixed assets.
Net cash flow from financing activities	-619,223,369.91	917,713,375.34	-167.47%	Mainly due to an increase in cash outflow as a result of debt repayment for the period.

3.2 Analysis and explanation on the progress of significant events and their impacts and solutions

Early redemption of convertible bonds (“China Shipping Convertible Bonds”)

Out of 30 consecutive trading days from 26 November 2014 to 8 January 2015, the closing price of A shares of the Company (China Shipping Development, 600026) for 15 trading days (17 December 2014 to 8 January 2015) was not lower than 130% of the share conversion price (RMB6.24 per share) of the China Shipping Convertible Bonds. According to the provisions of the Offering Prospectus for Issuance of A Share Convertible Corporate Bonds by China Shipping Development Company Limited, this had triggered the early redemption clause of the China Shipping Convertible Bonds. After a review at the First Board Meeting of the Company in 2015, the Board decided to exercise the early redemption right of the China Shipping Convertible Bonds to redeem all the China Shipping Convertible Bonds recorded in the register on the redemption record date (9 February 2015) for RMB34,496,000.

From 2 February 2012 to 9 February 2015, China Shipping Convertible Bonds with cumulative aggregated amount of RMB3,915,504,000 were converted into A shares of the Company, the cumulative number of converted shares amounted to 627,480,591 shares, and the total share capital of the Company increased from 3,404,552,270 shares to 4,032,032,861 shares. The conversion of the China Shipping Convertible Bonds into shares increased the capital owned by the Company and enhanced the risk resistance capacity of the Company.

The Company’s China Shipping Convertible Bonds (110017) and China Shipping Conversion Shares (190017) were delisted from the Shanghai Stock Exchange since 13 February 2015.

For details on the early redemption of China Shipping Convertible Bonds and the ultimate delisting, please refer to a series of announcements published by the Company in January to February 2015.

3.3 Performance of undertakings made by the Company and its shareholders with shareholding over 5%

I. 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 (the leases of such vessels expired in 2011 and 2012), 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.

II. Profit forecast and compensation undertakings by Shanghai Shipping (Group) Company, a wholly-owned subsidiary of China Shipping, in an equity transfer

China Shipping Tanker Co., Limited, a wholly-owned subsidiary of the Company, acquired 20% equity interest in Shanghai Beihai Shipping Company Limited (“上海北海船務股份有限公司”) from Shanghai Shipping (Group) Company for RMB830 million on 30 July 2014. Shanghai Shipping (Group) Company issued a “Letter of Compensation Undertakings” on 20 August 2014, pursuant to which Shanghai Shipping (Group) Company undertook that after completion of the transaction, when the Company announced its annual reports for the years 2014, 2015 and 2016, if the audited net profit attributable to shareholders of the parent company of Shanghai Beihai Shipping Company Limited in any year for the three years from 2014 to 2016 was unable to meet the profit forecast amount contained in the profit forecast audit report or the net profit amount forecast in the valuation report, whichever the higher (which were RMB370,311,100, RMB380,448,400 and RMB431,627,600 respectively), Shanghai Shipping (Group) Company will make a cash payment equivalent to 20% of the shortfall in net profit to China Shipping Tanker Co., Limited within 10 working days after announcement of the Company’s annual report for that year.

The net profit realized by Shanghai Beihai Shipping Company Limited in 2014 was RMB425,433,800, which was higher than the profit forecast amount.

4 Appendix

4.1 Consolidated Balance Sheet

Items	31 March 2015 RMB	31 December 2014 RMB
Current assets		
Cash	2,565,586,825.07	3,061,140,277.90
Notes receivables	320,073,319.54	238,629,601.40
Accounts receivables	1,536,238,516.28	1,507,633,195.10
Prepayments	705,098,291.86	400,745,311.18
Interests receivables	15,044,395.90	15,289,703.39
Dividends receivables	57,112,645.40	57,112,645.40
Other receivables	236,890,401.61	339,518,533.42
Inventories	678,708,704.76	835,303,585.97
Assets classified as being held available for sale	848,713,332.86	
Total current assets	6,963,466,433.28	6,455,372,853.76
Non-current assets		
Financial assets available for sale	35,290,471.28	35,284,285.62
Long-term receivables	817,058,815.41	786,539,507.30
Long-term equity investment	6,505,259,285.01	6,502,339,239.61
Investment properties	1,032,239,141.00	1,032,239,141.00
Fixed assets	44,292,832,861.34	45,364,965,777.11
Construction in progress	6,331,115,310.75	5,139,413,038.73
Intangible assets	15,024,159.20	16,158,932.01
Long-term deferred expenses	9,006,794.32	10,036,539.59
Deferred tax assets	408,052,309.18	408,052,309.18
Total non-current assets	59,445,879,147.49	59,295,028,770.15
Total asset	66,409,345,580.77	65,750,401,623.91
Current liabilities		
Short-term loans	5,571,074,714.57	6,164,278,043.21
Trade payable	1,132,136,684.12	990,669,006.13
Receipts in advance	282,445,035.32	185,002,919.43
Salaries and wages payable	34,668,121.61	41,905,403.64
Taxes payable	-454,622,512.15	-468,102,466.38
Interests payable	276,051,413.93	147,194,766.29
Other payables	468,123,974.99	203,717,360.41
Non-current liabilities to be mature within one year	1,067,215,468.27	6,310,887,983.04
Total current liabilities	8,377,092,900.66	13,575,553,015.77

Items	31 March 2015 <i>RMB</i>	31 December 2014 <i>RMB</i>
Non-current liabilities		
Long-term loans	25,840,546,966.27	23,425,342,501.52
Bonds payable	3,065,995,078.76	3,975,124,287.16
Long-term payables	1,530,797,349.43	1,335,426,501.14
Estimated liabilities	282,883,424.22	281,814,931.59
Deferred income	631.84	631.84
Deferred tax liabilities	223,372,257.60	217,856,571.60
Other non-current liabilities	365,687,335.97	291,553,253.51
Total non-current liabilities	31,309,283,044.09	29,527,118,678.36
Total liabilities	39,686,375,944.75	43,102,671,694.13
Shareholders' equity		
Share capital	4,032,032,861.00	3,481,405,286.00
Other equity instrument		766,025,282.16
Capital reserve	8,682,983,659.18	4,429,866,191.27
Other comprehensive income	-880,201,647.99	-845,034,507.96
Specific reserve	70,854,796.29	63,896,038.39
Surplus reserve	2,877,436,346.44	2,877,436,346.44
Undistributed profit	11,121,352,326.16	11,055,406,043.57
Total equity attributable to owners of the parent company	25,904,458,341.08	21,829,000,679.87
Minority interests	818,511,294.94	818,729,249.91
Total shareholders' equity	26,722,969,636.02	22,647,729,929.78
Total liabilities and shareholders' equity	66,409,345,580.77	65,750,401,623.91

Balance Sheet of the Company

Items	31 March 2015 RMB	31 December 2014 RMB
Current assets		
Cash	1,052,676,113.15	1,129,655,058.98
Accounts receivables	16,288,068.68	2,552,536.12
Prepayments	199,103.73	6,349,933.68
Interests receivables	85,102,445.10	31,815,993.96
Dividends receivables	50,000,000.00	50,000,000.00
Other receivables	7,280,465,343.15	10,295,341,584.04
Inventories	2,727,980.42	3,423,912.77
Total current assets	8,487,459,054.23	11,519,139,019.55
Non-current assets		
Financial assets available for sale	29,454,546.00	29,454,546.00
Held-to —maturity investment	10,500,000,000.00	8,000,000,000.00
Long-term equity investment	17,781,641,422.34	17,801,312,407.42
Investment properties	1,156,840,700.00	1,156,840,700.00
Fixed assets	67,143,960.62	67,706,763.53
Intangible assets	9,780,297.56	10,438,260.42
Total non-current assets	29,544,860,926.52	27,065,752,677.37
Total assets	38,032,319,980.75	38,584,891,696.92
Current liabilities		
Short-term loans	614,220,000.00	1,911,900,000.00
Accounts payable	16,288,894.80	11,791,107.36
Advance receipts	1,180,028.29	1,175,571.14
Salaries and wages payable	1,557,438.02	3,675,241.66
Taxes payable	-4,312,615.38	-1,005,926.49
Interests payable	204,867,009.15	89,409,336.43
Other payables	770,872,363.63	83,017,685.88
Non-current liabilities to be mature in less than one year	998,236,103.55	4,143,382,660.09
Total current liabilities	2,602,909,222.06	6,243,345,676.07

Items	31 March 2015 <i>RMB</i>	31 December 2014 <i>RMB</i>
Non-current liabilities		
Long-term loans	5,800,000,000.00	5,800,000,000.00
Bonds payable	3,065,995,078.76	3,975,124,287.16
Estimated loans	62,109,784.39	61,875,186.53
Other non-current liabilities	149,472,402.40	149,472,402.40
Total non-current liabilities	9,077,577,265.55	9,986,471,876.09
Total liabilities	11,680,486,487.61	16,229,817,552.16
Shareholders' equity		
Share capital	4,032,032,861.00	3,481,405,286.00
Other equity instrument		766,025,282.16
Capital reserve	8,681,463,208.92	4,428,345,741.01
Other comprehensive income	276,041,994.02	276,041,994.02
Surplus reserve	2,877,436,346.44	2,877,436,346.44
Undistributed profit	10,484,859,082.76	10,525,819,495.13
Total shareholders' equity	26,351,833,493.14	22,355,074,144.76
Total liabilities and shareholders' equity	38,032,319,980.75	38,584,891,696.92

4.2 Consolidated Income Statement

Items	January-March 2015 RMB	January-March 2014 RMB
1. Gross revenue from operations	2,921,154,760.26	3,193,757,512.09
Including: revenue from operation	2,921,154,760.26	3,193,757,512.09
2. Gross cost from operations	2,830,282,330.98	3,182,208,580.39
Including: cost from operation	2,452,438,702.07	2,799,204,166.56
Business taxes and other surcharges	3,758,366.65	2,638,150.47
Sales expenses	14,667,689.66	11,332,474.47
Administrative expenses	87,888,125.64	91,934,666.20
Financial expenses	271,529,446.96	277,099,122.69
Add: Investment income (“-” for investment loss)	2,920,045.40	56,232,046.73
Including: investment income from associates and joint ventures	17,208,746.75	43,332,121.60
3. Operating profit (“-” for operating loss)	93,792,474.68	67,780,978.43
Add: Non-operating revenue	36,431,703.73	18,738,697.35
Less: Non-operating expenditure	1,939,466.47	13,688,605.89
Including: Loss arising from disposal of non-current assets	133,755.52	2,771,527.23
4. Gross profit (“-” for gross loss)	128,284,711.94	72,831,069.89
Less: Income tax	49,667,265.23	7,435,756.34
5. Net profit (“-” for net loss)	78,617,446.71	65,395,313.55
Net profit attributable to owners of parent company	65,946,282.59	51,931,458.49
Net profit attributable to minority shareholders	12,671,164.12	13,463,855.06
6. Other comprehensive net income after tax	-49,197,448.29	51,440,884.54
Other comprehensive net income after tax attributable to owners of parent company	-35,167,140.03	48,880,637.08

Items	January-March 2015 RMB	January-March 2014 RMB
Other comprehensive income to be re-classified to profit or loss	-35,167,140.03	48,880,637.08
(1) effective parts of profit or loss on cash flow hedges	-58,895,829.30	2,769,172.25
(2) The difference between the translation of foreign currency financial statements	23,728,689.27	46,111,464.83
Other comprehensive net income after tax attributable to minority shareholders	-14,030,308.26	2,560,247.46
7. Total comprehensive income	29,419,998.42	116,836,198.09
Total comprehensive income attributable to owners of parent company	30,779,142.56	100,812,095.57
Total of comprehensive income attributable to minority shareholders	-1,359,144.14	16,024,102.52
8. Earnings per share		
(1) Basic	0.0180	0.0153
(2) Diluted	0.0164	0.0134

Income Statement of the Company

Items	January-March 2015 RMB	January-March 2014 RMB
1. Revenue from operations	16,776,310.61	14,955,248.03
Less: cost from operation	24,462,166.25	14,993,645.69
Business taxes and other surcharges	380,990.00	365,917.70
Sales expenses		
Administrative expenses	5,312,882.61	7,543,223.31
Financial expenses	104,232,152.33	149,043,259.48
Investment income (“-” for investment loss)	76,688,548.21	251,139,167.30
Including: investment income from associates and joint ventures	-4,769,042.26	40,980,965.88
2. Operating profit (“-” for operating loss)	-40,923,332.37	94,148,369.15
Add: Non-operating revenue		20,000.00
Less: Non-operating expenditure	37,080.00	3,800.00
3. Gross profit (“-” for gross loss)	-40,960,412.37	94,164,569.15
4. Net profit (“-” for net loss)	-40,960,412.37	94,164,569.15
5. Total comprehensive income	-40,960,412.37	94,164,569.15
6. Earnings per share		
(1) Basic	-0.0102	0.0277
(2) Diluted	-0.0102	0.0244

4.3 Consolidated Cash Flow Statement

Items	January-March 2015 RMB	January-March 2014 RMB
1. Cash flows from operating activities		
Cash received from sales of goods and provision of services	2,580,906,026.45	3,188,260,144.24
Cash received from tax rebates	16,879,104.77	20,354,640.32
Cash received from other related operating activities	284,090,543.34	187,035,963.06
Subtotal of cash inflow from operating activities _經	2,881,875,674.56	3,395,650,747.62
Cash paid for goods and services	1,226,364,115.02	1,803,164,124.21
Cash paid to or on behalf of employees	391,899,011.40	445,305,102.16
Taxes paid	50,446,762.49	60,235,489.13
Other cash paid relating to operating activities	384,388,808.17	578,925,612.74
Subtotal of cash outflow from operating activities	2,053,098,697.08	2,887,630,328.24
Net cash flows from operating activities	828,776,977.48	508,020,419.38
2. Cash flows from investing activities		
Net cash inflow from disposal of fixed, intangible and other long-term assets	310,288,396.47	162,300,990.82
Subtotal of cash inflow from investing activities	310,288,396.47	162,300,990.82
Cash paid for purchase of fixed, intangible and other long-term assets	951,680,429.88	1,752,100,016.27
Cash paid for investment	66,652,288.96	100,562,762.06
Subtotal of cash outflow from investing activities	1,018,332,718.84	1,852,662,778.33
Net cash flows from investing activities	-708,044,322.37	-1,690,361,787.51

Items	January-March 2015 RMB	January-March 2014 RMB
3. Cash flows from financing activities		
Cash received from borrowings	3,076,223,766.33	3,546,313,288.67
Subtotal of cash inflow from other related financing activities	100,247,927.02	
Subtotal of cash inflow from financing activities	3,176,471,693.35	3,546,313,288.67
Cash paid for payment of debts	3,622,408,711.91	2,397,740,874.84
Cash paid for distribution of dividends or profits and for interest expenses	171,498,731.89	230,859,038.49
Cash paid for other related financing activities	1,787,619.46	
Subtotal of cash outflow from financing activities	3,795,695,063.26	2,628,599,913.33
Net cash flows from financing activities	-619,223,369.91	917,713,375.34
4. Effect on cash and cash equivalents from change of exchange rates	2,937,261.97	5,791,591.46
5. Net increase in cash and cash equivalents	-495,553,452.83	-258,836,401.33
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	3,061,140,277.90	1,919,204,136.32
6. Balance of cash and cash equivalents at the end of the Reporting Period	2,565,586,825.07	1,660,367,734.99

Cash Flow Statement of the Company

Items	January-March 2015 RMB	January-March 2014 RMB
1. Cash flows from operating activities		
Cash received from other related operating activities	3,015,380,252.77	414,254,327.70
Subtotal of cash inflow from operating activities	3,015,380,252.77	414,254,327.70
Cash paid for goods and services	16,849.92	3,654,728.22
Cash paid to or on behalf of employees	3,889,674.05	4,587,438.13
Taxes paid	2,261,307.42	458,279.45
Cash paid for other related operating activities	520,642,387.66	462,532,159.47
Subtotal of cash outflow from operating activities	526,810,219.05	471,232,605.27
Net cash flows from operating activities	2,488,570,033.72	-56,978,277.57
2. Cash flows from investing activities		
Cash inflow from return on investment		300,000,000.00
Cash inflow from investment income	99,754,444.44	197,185,478.56
Subtotal of cash inflow from investing activities	99,754,444.44	497,185,478.56
Cash paid for investment	2,500,000,000.00	443,689,546.00
Subtotal of cash outflow from investing activities	2,500,000,000.00	443,689,546.00
Net cash flows from investing activities	-2,400,245,555.56	53,495,932.56

Items	January-March 2015 RMB	January-March 2014 RMB
3. Cash flows from financing activities		
Cash received from borrowings	401,906,333.33	50,000,000.00
Cash received from other related investing activities	298,128,116.44	
Subtotal of cash inflow from financing activities	700,034,449.77	50,000,000.00
Cash paid for payment of debts	534,715,437.82	
Cash paid for distribution of dividends or profits and for interest expenses	39,900,408.32	157,280,166.67
Cash paid for other related investing activities	292,958,196.92	
Subtotal of cash outflow from financing activities	867,574,043.06	157,280,166.67
Net cash flows from financing activities	-167,539,593.29	-107,280,166.67
4. Effect on cash and cash equivalents from change of exchange rates	2,236,169.30	251,465.84
5. Net increase in cash and cash equivalents	-76,978,945.83	-110,511,045.84
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	1,129,655,058.98	487,558,148.30
6. Balance of cash and cash equivalents at the end of the Reporting Period	1,052,676,113.15	377,047,102.46

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
28 April 2015

As at the date of this announcement, the board of directors of the Company comprises Mr. Xu Lirong, Mr. Zhang Guofa, Ms. Su Min, Mr. Huang Xiaowen, Mr. Ding Nong, Mr. Liu Xihan, Mr. Yu Zenggang, Mr. Han Jun and Mr. Qiu Guoxuan as executive directors, Mr. Zhang Jun, Mr. Wang Wusheng, Mr. Ruan Yongping, Mr. Ip Sing Chi and Mr. Wang Guoliang as independent non-executive directors.