

SINOPEC SHANGHAI PETROCHEMICAL CO LTD

Form 6-K

October 31, 2012

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SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of October 2012

Commission File Number: 1-12158

Sinopec Shanghai Petrochemical Company Limited

(Translation of registrant's name into English)

Jinshanwei, Shanghai

The People's Republic of China

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- Not Applicable

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SINOPEC SHANGHAI PETROCHEMICAL COMPANY LIMITED

Date: October 31, 2012

By: /s/ Wang Zhiqing
Name: Wang Zhiqing
Title: President

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(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00338)

2012 Third Quarterly Report

This announcement is published simultaneously in Shanghai and Hong Kong. This announcement is published pursuant to the Rules Governing Listing of Stocks on Shanghai Stock Exchange in the People's Republic of China and pursuant to the disclosure obligations under Rules 13.09(1) and 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

§1 IMPORTANT MESSAGE

- 1.1 The Board of Directors (the Board) and the Supervisory Committee of Sinopec Shanghai Petrochemical Company Limited (the Company or SPC) as well as its Directors, Supervisors and Senior Management warrant that there are no false representations or misleading statements contained in, or material omissions from, the 2012 third quarterly report, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this report.
- 1.2 All of the Company's Directors attended the ninth meeting of the seventh session of the Board which considered the third quarterly report of the Company, and the third quarterly report of the Company was considered and approved at the meeting.
- 1.3 The financial report of the Company's third quarterly report was prepared under the China Accounting Standards for Business Enterprises and was unaudited.
- 1.4 Mr. Rong Guangdao, Chairman and the responsible person of the Company, Mr. Ye Guohua, Chief Financial Officer overseeing the accounting operations, and Mr. Hua Xin, Deputy Chief Financial Officer, person-in-charge of Accounting Department (Accounting Chief) and Finance Manager, hereby warrant the truthfulness and completeness of the financial report contained in the 2012 third quarterly report.

Table of Contents**§2 BASIC INFORMATION OF THE COMPANY****2.1 Major Accounting Data and Financial Indicators**

	As at the end of the reporting period	As at the end of the previous year	Currency: RMB Increase/decrease at the end of the reporting period as compared to the end of the previous year (%)
Total assets (RMB 000)	32,354,640	31,110,085	4.00
Total equity attributable to equity shareholders of the Company (RMB 000)	16,179,662	18,112,483	-10.67
Net asset value per share attributable to equity shareholders of the Company (RMB/share)	2.247	2.516	-10.67
	From the beginning of the year to the end of the reporting period (January 2012 to September 2012)		Increase/decrease as compared to the corresponding period of the previous year (%)
Net cash inflow from operating activities (RMB 000)		1,019,580	32.96
Net cash inflow per share from operating activities (RMB/share)		0.142	32.96
	The reporting period (July 2012 to September 2012)	From the beginning of the year to the end of the reporting period (January 2012 to September 2012)	Increase/decrease during the reporting period as compared to the corresponding period of the previous year (%)
Net loss attributable to equity shareholders of the Company (RMB 000)	-414,888	-1,609,377	-253.64
Basic loss per share (RMB/share)	-0.058	-0.224	-253.64
Basic loss per share excluding non-recurring items (RMB/share)	-0.057	-0.238	-254.15
Diluted loss per share (RMB/share)	-0.058	-0.224	-253.64
Return on net assets (weighted average) (%)	-2.532	-9.386	Decreased by 3.972 percentage points
Return on net assets excluding non-recurring items (weighted average) (%)	-2.522	-9.981	Decreased by 3.952 percentage points

Table of Contents**Non-recurring Items:**

Item	Unit: RMB 000 From the beginning of the year to the end of the reporting period (January 2012 to September 2012)
Net loss from disposal of non-current assets	-7,953
Employee reduction expenses	-7,193
Government grants recorded through profit and loss (excluding those having close relationship with the Company's operation and enjoyed in fixed amount on quantity according to uniform national standard)	142,042
Income from external entrusted loans	1,581
Other non-operating income and expenses other than those mentioned above	6,070
Income tax effect	-31,875
Effect on minority interests after taxation	-665
Total	102,007

Table of Contents**2.2 Total Number of Shareholders as at the End of the Reporting Period and Shareholding of the Top Ten Shareholders of Shares in Circulation**

		Unit: Share
Total number of shareholders as at the end of the reporting period		107,258
Shareholding of the top ten shareholders of shares in circulation		
Name of shareholders (in full)	Number of shares in circulation held as at the end of the reporting period	Type of shares
HKSCC (Nominees) Ltd.	2,293,910,101	Overseas listed foreign shares
China Construction Bank CIFM China Advantage Security Investment Fund ()	67,800,000	RMB-denominated ordinary shares
Industrial and Commercial Bank of China SWS MU New Economy Balanced Equity Fund ()	20,818,257	RMB-denominated ordinary shares
China Life Insurance Company Limited Tradition Ordinary Insurance Product 005L-CT001 Shanghai ()	11,546,194	RMB-denominated ordinary shares
IP KOW	5,432,000	Overseas listed foreign shares
Agricultural Bank of China Limited New China Selected Growth Stock Fund ()	4,518,720	RMB-denominated ordinary shares
YIP CHOK CHIU	3,150,000	Overseas listed foreign shares
China Merchants Bank Co., Limited Fortis Haitong Surging Return Mixed Type Fund ()	3,029,933	RMB-denominated ordinary shares
Weng Xuejun ()	3,000,000	RMB-denominated ordinary shares
Changjiangwan Investments Group Limited ()	2,900,085	ordinary shares

Table of Contents**§3 MAJOR EVENTS****3.1 Description of Substantial Changes in Financial Report Items and Financial Indicators of the Company**

Unit: RMB 000

Item	As at 30 September 2012	As at 31 December 2011	Increase/ decrease amount	Change (%)	Reason for change
Bills receivable	2,000,641	3,131,579	-1,130,938	-36%	Operating income settled by bills decreased and discount of bills receivable increased.
Construction in progress	5,804,710	3,882,992	1,921,718	49%	Balance of the Refinery Revamping and Expansion Project increased at the end of the reporting period.
Short-term loans	7,560,231	5,512,074	2,048,157	37%	The Company borrowed short-term loans for net cash outflow during the nine-month period.

Unit: RMB 000

Item	For the nine-month period ended 30 September		Increase/ decrease amount	Change (%)	Reason for change
	2012	2011			
Financial expenses (for financial income)	294,495	-84,606	379,101	-448%	The appreciation of the U.S. dollar resulted in an increase in exchange loss, and the increase in borrowings resulted in an increase in interest expenses.
Operating profit (for loss)	-2,237,466	2,191,514	-4,428,980	-202%	Gross profit decreased during the nine-month period.
Profit before income tax (for loss)	-2,103,753	2,193,529	-4,297,282	-196%	
Income tax expense	-517,030	522,199	-1,039,229	-199%	
Net profit for the period (for net loss)	-1,586,723	1,671,330	-3,258,053	-195%	
Net profit attributable to equity shareholders of the Company (for net loss)	-1,609,377	1,651,579	-3,260,956	-197%	

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3.2 Warning and Explanation of the Forecast of a Possible Loss for the Period from the Beginning of the Year to the End of the Next Reporting Period, or a Significant Change in Profit or Loss Compared with the Corresponding Period of the Previous Year

The Group suffered quite a significant loss during the nine-month period ended 30 September 2012. Although the losses were much less in the third quarter compared to those of the second quarter, the fourth quarter still sees a great deal of uncertainties both in the domestic and international economic environment, and weakening growth in downstream demand. As a result, it is unlikely that there will be a significant improvement in the results for the fourth quarter of 2012. In view of this, the Group is expected to continue to incur a loss in the operating results for the year ending 31 December 2012.

3.3 Implementation of Dividend Policy during the Reporting Period

The profit distribution plan for 2011 was considered and approved at the Company's 2011 annual general meeting convened on 27 June 2012. The plan is: distributing a dividend of RMB0.50 per 10 shares (tax inclusive) based on the total share capital of RMB7.2 billion as at 31 December 2011. The share registration date for the distribution of dividends to holders of A shares was 20 July 2012. The ex-dividend date was 23 July 2012. The dividend payment date for H shares and social public A shares was 27 July 2012. The profit distribution plan has been implemented as scheduled.

Table of Contents**§4 APPENDIX****4.1 Consolidated Balance Sheet**As at 30 September 2012 (*Unaudited*)

Item	Unit: RMB 000	
	30 September 2012	31 December 2011
Current assets:		
Cash at bank and on hand	268,313	91,346
Bills receivable	2,000,641	3,131,579
Accounts receivable	1,046,183	609,906
Prepayments	93,108	43,160
Other receivables	53,289	46,994
Inventories	5,360,083	5,582,425
Other current assets	105,772	160,404
Total current assets	8,927,389	9,665,814
Non-current assets:		
Long-term equity investments	3,059,302	3,101,305
Investment properties	442,617	452,555
Fixed assets	12,244,835	12,659,332
Construction in progress	5,804,710	3,882,992
Intangible assets	502,155	519,198
Long-term deferred expenses	313,054	306,052
Deferred tax assets	1,060,578	522,837
Total non-current assets	23,427,251	21,444,271
Total assets	32,354,640	31,110,085

Table of Contents**Consolidated Balance Sheet (Continued)**As at 30 September 2012 (*Unaudited*)

Item	Unit: RMB '000	
	30 September 2012	31 December 2011
Current liabilities:		
Short-term loans	7,560,231	5,512,074
Bills payable		15,688
Accounts payable	4,287,898	4,650,007
Advances from customers	924,262	706,835
Employee benefits payable	47,801	46,140
Taxes payable	695,331	507,938
Interest payable	16,767	9,442
Dividends payable	21,730	22,599
Other payables	926,174	801,109
Total current liabilities	14,480,194	12,271,832
Non-current liabilities:		
Long-term loans	1,231,340	160,050
Other non-current liabilities	197,290	295,619
Total non-current liabilities	1,428,630	455,669
Total liabilities	15,908,824	12,727,501
Shareholders' equity:		
Share capital	7,200,000	7,200,000
Capital reserve	2,914,763	2,914,763
Specific reserve	58,333	21,777
Surplus reserve	5,151,770	5,151,770
Retained earnings	854,796	2,824,173
Total equity attributable to equity shareholders of the Company	16,179,662	18,112,483
Minority interests	266,154	270,101