

30 JULY 2013

# ASX Release:

## Half Year Results

Yancoal Australia Limited (**Yancoal**) notes the earnings announcement on 29 July 2013 by its majority shareholder Yanzhou Coal Mining Company Limited (**Yanzhou**). The announcement (attached) refers to a revision in forecast net profit for Yanzhou for the first half of calendar year 2013. The announcement refers to changes in exchange rate as one of the reasons for the revision.

Yancoal notes that whilst the company benefits from a declining A\$/US\$ exchange rate in relation to coal sales revenue, the company also records unrealised non-cash foreign exchange losses relating to our US\$ denominated debt.

Yancoal is expecting to release its half year results on or about 16 August 2013 and these results once finalised will contain further details on the earnings impact of the decline in the A\$/US\$ exchange rate.

Additional information about the company can be found at [www.yancoal.com.au](http://www.yancoal.com.au)

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### About Yancoal

In NSW Yancoal operates Moolarben mine near Mudgee in the NSW central west; Ashton, Austar, Abel, Tasman and Donaldson mines in the Hunter Valley; and Duralie and Stratford in the Gloucester region north of Newcastle. The company also operates Yarrabee mine near Blackwater in central Queensland, and has a near 50 per cent share in Middlemount mine north-west of Rockhampton. Yancoal also has investments in two coal terminals - Wiggins Island in Gladstone which Yancoal holds a 5.6 per cent share and NCIG in Newcastle which Yancoal holds a 27 per cent share. On behalf of its major shareholder, Yanzhou, Yancoal manages Cameby Downs mine in south west Queensland, Premier mine in south west Western Australia, Longwall Top Coal Caving (LTCC) technologies Pty Ltd and Ultra Clean Coal (UCC) Pty Ltd.

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兗州煤業股份有限公司

**YANZHOU COAL MINING COMPANY LIMITED**

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

(Stock Code: 1171)

## ANNOUNCEMENT

### RESULTS ESTIMATE FOR THE FIRST HALF OF THE YEAR

This announcement is made pursuant to the disclosure obligations under Part XIVA of the Securities and Futures Ordinance and Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### 1. RESULTS ESTIMATE FOR THE PERIOD

(1) Results estimate period:

From 1 January 2013 to 30 June 2013 (the "**Period**").

(2) Previous results estimate:

Yanzhou Coal Mining Company Limited (the "**Company**") previously estimated in its first quarterly results announcement on 25 April 2013 that the net profit of the Company and its subsidiaries (the "**Group**") attributable to the equity holders of the Company for the period from January to June 2013 to be drawn up in conformity with China Accounting Standards for Business Enterprises (**CASBE**) was expected to represent a decrease exceeding 75% as compared to that of the corresponding period in 2012 (the "**Previous Results Estimate**").

(3) Results estimate for the Period

Following the Company's financial department's further calculation, it is now expected that the Group's net profit attributable to the equity holders of the Company may record a loss of approximately RMB2,350 million for the Period. Detailed results will be disclosed in the 2013 interim report of the Company.

(4) Financial data in relation to the above results estimate has not yet been audited by the Company's auditors.

## 2. RESULTS FOR THE CORRESPONDING PERIOD IN THE LAST YEAR (1 JANUARY 2012 TO 30 JUNE 2012)

- (1) Net profit attributable to the equity holders of the Company: RMB4,906.2 million.
- (2) Basic earnings per share: RMB0.9975 per share.

## 3. REASONS FOR THE CHANGE IN RESULTS ESTIMATE

The main reasons for the difference between the Previous Results Estimate the current results estimate for the Period are set out below:

- (1) The changes in exchange rate resulted in a book exchange loss of approximately RMB3,260 million for the second quarter of the Group in 2013. Such exchange loss caused a decrease of RMB1,790 million in the net profit attributable to the equity holders of the Company in the first half year of 2013 as compared to that in the Previous Results Estimate. As the changes in exchange rate is a factor out of the control of the Company, the Company had not taken into account the possible exchange rate gain and loss in the Previous Results Estimate.
- (2) The fair value of some coal mines of the Group decreased due to the continued decline of the coal price. The provision of impairment for the second quarter in 2013 was approximately RMB2,030 million. Such provision resulted in a decrease of RMB1,120 million in the net profit attributable to the equity holders of the Company in the first half year of 2013 as compared to that in the Previous Results Estimate.
- (3) The decline of the sales price of the Group's self-produced coal products resulted in a decrease of RMB890 million in the net profit attributable to the equity holders of the Company in the first half year of 2013 as compared to that in the Previous Results Estimate.

The comprehensive average sales price of the Company's self-produced coal products in the first quarter of 2013 was RMB550.34 per ton. The comprehensive average sales price in the second quarter of 2013 was estimated to be RMB533.65 per ton in the Previous Results Estimate. However, the actual average sales price in the second quarter of 2013 was RMB466.58 per ton.

## 4. RISK ALERT

The board of directors of the Company (the "**Board**") hereby alerts the investors that the results estimate set forth above represents a preliminary estimate based on CASBE and has not been audited. Exact figures are subject to the disclosure to be made in the 2013 interim report of the Company. **The Company's shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and be mindful of risks associated with their investments.**

## 5. APOLOGETIC STATEMENT OF THE BOARD

The Company and the Board would like to make an apology to the investors for any inconvenience caused by this announcement. The Board will procure that the management of the Company will strengthen the scientificness and accuracy of future results estimate.

By order of the board of directors  
**Yanzhou Coal Mining Company Limited**  
**Zhang Baocai**  
*Director and Company Secretary*

Zoucheng, Shandong Province, the PRC  
29 July 2013

*As at the date of this announcement, the Directors are Mr. Zhang Yingmin, Mr. Shi Xuerang, Mr. Wu Yuxiang, Mr. Zhang Baocai and Mr. Dong Yunqing, and the independent non-executive directors of the Company are Mr. Wang Xianzheng, Mr. Cheng Faguang, Mr. Wang Xiaojun and Mr. Xue Youzhi.*