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中国神华能源股份有限公司
CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01088)

First Quarterly Report for the Year 2011

Pursuant to the rules and regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange, China Shenhua Energy Company Limited (the “**Company**”) and together with its subsidiaries, collectively the “**Group**”) is required to announce this quarterly report.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) is pleased to announce the results of the Company and its subsidiaries for the three months ended 31 March 2011 prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”). Such results have not been audited or reviewed by the independent auditors.

1. IMPORTANT NOTICE

1.1 The Board, the supervisory committee of the Company together with the directors, supervisors and the senior management of the Company guarantee that this report does not contain any false representations, misleading statements or material omissions, and shall jointly and severally accept responsibility as to the truthfulness, accuracy and completeness of the content in this report.

1.2 This report was passed at the fourteenth meeting of the second session of the Board of the Company. Nine out of nine eligible directors of the Company were present at the meeting.

1.3 The financial statements of this report, which are prepared in accordance with IFRSs, have not been audited or reviewed. Please refer to 3.3 for the major differences of financial statements prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China and relevant regulations and interpretations ("Accounting Standards for Business Enterprises") and IFRSs.

1.4 On 25 February 2011, the Company's acquisition of the equity interests or assets of ten subsidiaries engaged in coal, power and related businesses ("Target Companies") directly or indirectly held by the parent of the Company, Shenhua Group Corporation Limited ("Shenhua Group Corporation"), and its subsidiaries was approved at the 2011 First Extraordinary General Meeting of the Company. Details are set out in the announcement regarding resolutions of the 2011 First Extraordinary General Meeting of the Company.

As of 31 March 2011, save for the acquisition of Shenhua Finance Company Limited pending the approval from relevant financial regulatory authorities, the above-mentioned acquisitions were completed on 28 February 2011 (i.e. the date of consolidation was 28 February 2011). Therefore, the relevant financial and operational data of Target Companies (other than Shenhua Finance Company Limited) for the first quarter of 2011 have been included in this report.

As the Company and Target Companies are controlled by Shenhua Group Corporation, the above-mentioned acquisitions have been reflected as business combinations under common control. Accordingly, the financial statements of the relevant period prior to the above-mentioned acquisitions have been restated in this report. The operational data of the relevant period prior to the above-mentioned acquisitions have also been restated in this report in line with the financial data.

1.5 Dr. Zhang Xiwu, Chairman of the Board of the Company, Ms. Zhang Kehui, Chief Financial Officer of the Company and Mr. Hao Jianxin, General Manager of Finance Department of the Company, guarantee the truthfulness and completeness of the financial information contained in this report.

2. REVIEW OF OPERATIONS OF THE COMPANY DURING THE REPORTING PERIOD

During the reporting period, led by Chairman Zhang Xiwu and the Board, all staff of the Company focused on the operation target set at the beginning of the year, pushing ahead vigorously with production organization, transportation coordination, marketing and asset acquisitions, etc. Coal production realized steady growth and resources acquisition achieved breakthroughs. Marketing for power generation segment was strengthened, which resulted in outperforming operational results compared with its peers; to ensure transportation efficiency, equal stress was laid on construction and transportation in railway, port and shipping segments with improved organization and coordination. Through strengthening coal supply, adjusting structures, building coal stocking reserve and expanding markets, sales of coal achieved relatively fast growth; overall, the Company's operating results continued to maintain sound growth momentum.

During the reporting period, the commercial coal production volume of the Company reached 70.4 million tonnes, accounting for 27.3% of the annual operating target; coal sales volume reached 93.4 million tonnes, accounting for 26.7% of the annual operating target; gross power generation reached 36.67 billion kwh, accounting for 24.1% of the annual operating target.

Under IFRSs, the revenues realised by the Company were RMB47,389 million, representing a year-on-year increase of 41.1%; the profit attributable to equity shareholders of the Company for the period was RMB11,031 million and the basic earnings per share reached RMB0.555, both representing a year-on-year increase of 16.6% .

The Company will, centering on the strategic goal of building itself into a worldwide first-class coal-based integrated energy enterprise with global competitiveness, coordinate the development of production operation and capital markets; actively speed up the transition of the economic development mode; firmly reinforce the assessment in economic value added (EVA); strive to enhance the overall planning and coordination of various businesses of coal, power, railway, port and shipping segments; continue to press forward production safety; promote the mega-sales strategy; strengthen the construction of key projects; push ahead the progress of international projects; strengthen the cost-control-based financial management; further improve the management quality and refinement levels; speed up informationization; and nail down the in-depth integration of all businesses. The Company, with joint efforts of all staff, will further enhance the Company's core competitiveness to create more values for shareholders.

3. COMPANY PROFILE

3.1 Major financial indicators prepared in accordance with IFRSs

	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)	Percentage change %
Per share (RMB)			
Earnings per share	0.555	0.476	16.6
Net cash generated from operating activities per share	0.96	0.61	57.8
Current period (RMB million)			
Revenues	47,389	33,575	41.1
Profit attributable to equity shareholders of the Company	11,031	9,459	16.6
Net cash generated from operating activities	19,040	12,069	57.8
	As at 31 March 2011	As at 31 December 2010 (restated)	Percentage change %
Total assets (RMB million)	356,932	357,764	(0.2)
Total liabilities (RMB million)	115,288	121,067	(4.8)
Total equity (RMB million)	241,644	236,697	2.1
Of which: Equity attributable to equity shareholders of the Company (RMB million)	207,910	204,235	1.8
Shareholders' equity per share (RMB)	10.45	10.27	1.8

Notes: 1. The total assets of the Company as at the end of the first quarter experienced a slight decline as compared with that as at the end of 2010, which was mainly due to: (1) decrease in assets and liabilities resulting from loan repayments by the Company in the first quarter of 2011; (2) the acquisitions of certain equity interest and assets of Shenhua Group Corporation have been reflected as business combinations under common control. The statement of financial position as of the beginning of the reporting period has been restated pursuant to the requirements of the relevant accounting standards. The payment of consideration in 2011 has been reflected as a reduction in reserve, and the assets and equity are decreased accordingly .

2. The growth in equity attributable to equity shareholders of the Company and shareholders' equity per share was dragged down by reducing the reserves upon the settlement of the consideration for the Company's acquisitions of the partial equity interests or assets of the Shenhua Group Corporation.

3.2 Major operational data

Operational indicators	For the three months ended 31 March 2011 ^{Note}	For the three months ended 31 March 2010 (restated)	Percentage change %
Commercial coal production (million tonnes)	70.4	61.1	15.2
Coal sales (million tonnes)	93.4	68.7	36.0
Of which: Export (million tonnes)	2.6	3.9	(33.3)
Turnover of self-owned railways transportation (billion tonne km)	41.0	37.8	8.5
Seaborne coal (million tonnes)	48.8	37.8	29.1
Of which: Huanghua Port (million tonnes)	21.4	19.9	7.5
Shenhua Tianjin Coal Dock (million tonnes)	5.7	7.3	(21.9)
Shipping volume (million tonnes)	17.9	N/A	N/A
Shipment turnover (billion tonne nautical miles)	15.6	N/A	N/A
Gross power generation (billion kwh)	39.28	32.39	21.3
Total power output dispatch (billion kwh)	36.67	30.18	21.5

Note: The operational data for the three months ended 31 March 2011 includes the operational data for the three months ended 31 March 2011 in connection with the Company's acquisitions of certain equity interests and assets of Shenhua Group Corporation during the reporting period. For details please refer to 1.4 of this report.

3.3 Major differences of financial statements prepared under different accounting standards

Items	Unit: RMB million			
	Net profit attributable to equity shareholders of the Company		Net assets attributable to equity shareholders of the Company	
	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)	As at 31 March 2011	As at 31 December 2010 (restated)
Under the Accounting Standards for Business Enterprises	10,467	8,921	205,122	201,385
Adjusted items under IFRSs:				
Adjustments for production maintenance, production safety and other related expenditures and others	564	538	2,788	2,850
Under IFRSs	11,031	9,459	207,910	204,235

Explanation on the differences between domestic and international accounting standards:

(1) Pursuant to the relevant regulations of the related government authorities in the PRC, provision for production maintenance, production safety and other related expenditures is accrued by coal mining companies based on coal production volume, recognised as expense in profit or loss and separately recorded as a specific reserve in shareholders' equity. On utilisation of the specific reserve as fixed assets in accordance with the stipulated scope, full amount of depreciation is recognised at the same time when the cost of the relevant assets is recorded. Under IFRSs, these expenses are recognised in profit or loss as and when incurred. Relevant capital expenditure are recognised as property, plant and equipment and depreciated according to the relevant depreciation method. The effect of deferred tax arising from such difference is also reflected.

(2) In 2010 and before, land use rights were carried at revalued amounts upon the restructuring under Accounting Standards for Business Enterprises. Under IFRSs, land use rights were carried at the historical cost less accumulated amortization and recognized as lease prepayments. Accordingly, the valuation surplus of land use rights and the relevant deferred tax effect have been excluded in the financial statements prepared under IFRSs during the year ended 31 December 2010 and previous accounting period. According to revised IFRS 1 effective 1 January 2011, the valuation of assets upon the restructuring is considered as deemed costs of assets. During the reporting period, the Company made retrospective adjustments and restated the comparative figures of the financial statements in prior periods under IFRSs in accordance with the requirements of revised IFRS 1. As such, there is no difference in the value of relevant long-term assets under both Accounting Standards for Business Enterprises and IFRSs.

3.4 Total number of shareholders and shareholding of top ten shareholders of shares not subject to selling restrictions at the end of the reporting period

(1) As at the end of the reporting period, there were a total of 366,400 shareholders of the Company, of which 363,669 were holders of A shares (including Shenhua Group Corporation) and 2,731 were registered holders of H shares.

(2) Shareholding of top ten shareholders not subject to selling restrictions

Unit: number of shares

Name of shareholders	Number of shares held not subject to selling restrictions	Type of shares
Shenhua Group Corporation Limited	14,511,037,955	RMB ordinary shares
HKSCC NOMINEES LIMITED	3,389,780,491	Overseas listed foreign shares
Bank of Communications - E Fund 50 Index Securities Investment Fund	32,995,652	RMB ordinary shares
China Life Insurance Company Limited - Dividend - Personal Dividend -005L - FH002 Shanghai	29,319,841	RMB ordinary shares
China Construction Bank – Yinhuo - Dow Jones 88 Selected Securities Investment Fund	27,101,864	RMB ordinary shares
Industrial & Commercial Bank of China - SSE 50 Trading Open-end Index Securities Investment Fund	26,187,414	RMB ordinary shares
Industrial & Commercial Bank of China - Lion Value Growth Securities Investment Fund	19,734,888	RMB ordinary shares
Bank of China - Harvest Shanghai Shenzhen 300 Index Securities Investment Fund	17,794,451	RMB ordinary shares

Baosteel Group Corporation Limited	14,342,665	RMB ordinary shares
Industrial & Commercial Bank of China - South Longyuan Industrial Theme Stock Securities Investment Fund	12,439,119	RMB ordinary shares

Note: H shares held by HKSCC Nominees Limited are held on behalf of a number of its account participants.

4. SIGNIFICANT EVENTS

4.1 Material changes in major items of accounting statements and financial indicators of the Company and the underlying reasons

For the three months ended 31 March 2011, revenues of the Group under IFRSs were RMB47,389 million (for the three months ended 31 March 2010 (restated): RMB33,575 million), representing a year-on-year increase of 41.1%. Profit attributable to equity shareholders of the Company for the period was RMB11,031 million (for the three months ended 31 March 2010 (restated): RMB9,459 million), representing a year-on-year increase of 16.6%.

During the reporting period, fluctuations in major items of the consolidated financial statements and explanations are set out below:

Unit: RMB million

Consolidated statement of comprehensive income	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)	Percentage change %	Major reasons for changes
Total operating revenues	47,389	33,575	41.1	Increase in revenue from coal sales
Total cost of revenues	(27,823)	(17,691)	57.3	Increase of coal sales volume and purchasing prices of third party coal
Share of profits less losses of associates	58	131	(55.7)	Decrease of net profits in associates
Income tax	(3,923)	(2,797)	40.3	Expiry of income tax preferential policies for certain subsidiaries and branches
Exchange differences on translation of financial statements of overseas subsidiaries	47	(64)	(173.4)	Differences on translation of financial statements of overseas subsidiaries due to fluctuations in exchange rates

Unit: RMB million

Consolidated statement of financial position	As at 31 March 2011	As at 31 December 2010 (restated)	Percentage change %	Major reasons for changes
Short-term borrowings and current portion of long-term borrowings	10,852	17,273	(37.2)	Repayments of short-term borrowings during the reporting period

Unit: RMB million

Consolidated statement of cash flows	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)	Percentage change %	Major reasons for changes
Cash generated from operations	23,718	15,099	57.1	Increase in revenue from coal sales
Income tax paid	(3,978)	(2,232)	78.2	Increase of income tax paid
Lease prepayments	(181)	(115)	57.4	Increase of land use rights
Acquisition of subsidiaries	(7,666)	-	N/A	Consideration paid for acquisition of subsidiaries during the reporting period
Increase in restricted bank deposits	(323)	(134)	141.0	Increase of deposits as the coal mine transformation fund and environmental restoration fund
Decrease in restricted bank deposits	-	278	(100.0)	Receipt of deposits for bills in the previous year
Increase in time deposits with original maturity over three months	(30)	(10,211)	(99.7)	Decrease of time deposits placed
Maturity of time deposits with original maturity over three months	408	5,210	(92.2)	Decrease of time deposits received
Proceeds from borrowings	2,146	9,632	(77.7)	Decrease of new short-term borrowings
Contributions from non-controlling interests	325	26	1150.0	Increase of capital contributions from non-controlling interests in subsidiaries
Contributions from shareholders	-	278	(100.0)	Capital contributions from shareholders of subsidiaries acquired through business combination under common control during the previous year

4.2 Analysis on key operational indicators of the coal segment

(1) Coal sales volume and prices are set out below (the coal prices as set out below are quoted exclusive of VAT):

	For the three months ended 31 March 2011			For the three months ended 31 March 2010 (restated)			Change	
	Sales volume	Percentage to total sales volume	Price	Sales volume	Percentage to total sales volume	Price	Change in sales volume	Change in prices
	Million tonnes	%	RMB /tonne	Million tonnes	%	RMB /tonne	%	%
Domestic sales	90.8	97.2	410.8	64.8	94.3	394.3	40.1	4.2
Long-term contract sales	46.8	50.1	344.1	40.7	59.2	354.1	15.0	(2.8)
Mine mouth	7.8	8.4	143.2	4.7	6.8	124.9	66.0	14.7
Direct arrival (along railway line)	16.8	17.9	297.7	15.6	22.7	284.0	7.7	4.8
Seabome	22.2	23.8	449.5	20.4	29.7	460.5	8.8	(2.4)
Spot sales	44.0	47.1	481.8	24.1	35.1	462.0	82.6	4.3
Mine mouth	10.3	11.0	172.6	5.8	8.4	158.9	77.6	8.6
Direct arrival (along railway line)	9.7	10.4	499.1	4.8	7.0	509.6	102.1	(2.1)
Seabome	24.0	25.7	607.6	13.5	19.7	576.8	77.8	5.3
Export sales	2.6	2.8	636.6	3.9	5.7	458.9	(33.3)	38.7
Total sales volume / weighted average price	93.4	100.0	417.1	68.7	100.0	398.0	36.0	4.8

Important notes: The above weighted average coal price was affected by sales mode, product quality and the sales volume of various types of sales. The above contract sales prices were realized weighted average prices, which cannot be regarded as quoted prices of the long-term contracts of the Company.

During the reporting period, pursuant to relevant requirements of the PRC, the benchmark price for key thermal coal contract (FOB price: 5,500 kcal/kg) among the Company's domestic long-term contracts for 2011 remained unchanged as compared with that of last year at RMB570/tonne (inclusive of VAT).

With effect from the second quarter of 2011, the Company's coal price of domestic spot sales is fixed with reference to Bohai Bay Thermal Coal Price Index, subject to adjustments once a week.

(2) Unit production cost of self-produced coal of the coal segment:

	For the three months ended 31 March 2011	For the three months ended 31 March 2010		Percentage change	
		Restated	Not restated	Restated	Not restated
		RMB /tonne	RMB /tonne	RMB /tonne	%
Unit production cost of self-produced coal	110.9	103.3	105.6	7.4	5.0
Materials, fuel and power	20.3	18.6	19.4	9.1	4.6
Personnel expenses	16.0	11.2	10.9	42.9	46.8
Depreciation and amortisation	19.3	20.7	21.2	(6.8)	(9.0)
Repairs and maintenance	7.6	8.4	8.6	(9.5)	(11.6)
Others	47.7	44.4	45.5	7.4	4.8

During the reporting period, the unit production cost of self-produced coal of the coal segment was RMB110.9/tonne (for the three months ended 31 March 2010 (restated): RMB103.3/tonne), representing a year-on-year increase of 7.4%. The increase was mainly attributable to the increase in the number of employees and the salary level.

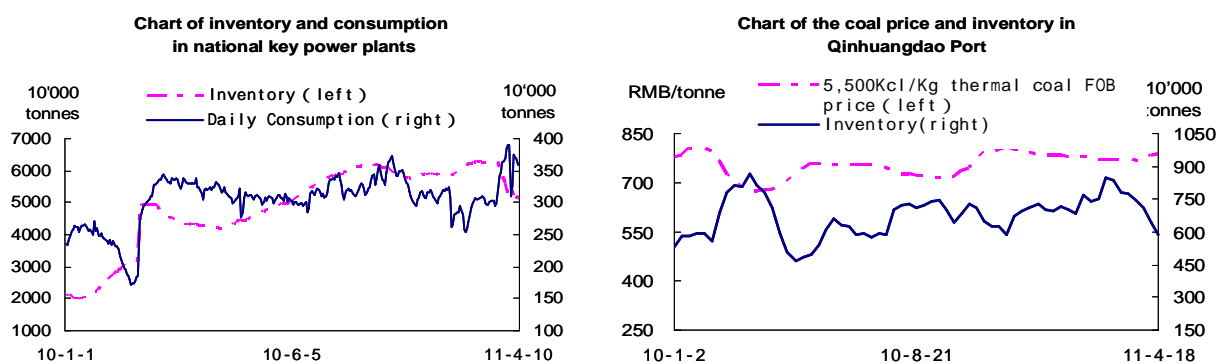
During the reporting period, unit depreciation and amortisation cost decreased by 6.8% from that (restated) of the same period last year, which was mainly because the growth of depreciation and amortisation cost for self-produced coal was slower than that of the commercial coal production volume; or decreased by 9.0% from that (not restated) of the same period last year, mainly attributable to the self-produced coal business acquired from Shenhua Group Corporation with lower unit depreciation and amortisation cost.

4.3 Overview of the industry

China maintained steady economic growth momentum in the first quarter of 2011. The gross domestic product (GDP) for the first quarter posted a year-on-year growth of 9.7%, ranging between 9.5% and 10.0% for three consecutive quarters. The fast-growing economy facilitated a sound growth in coal demand.

In the first quarter of 2011, both demand and supply of thermal coal in China witnessed a noticeable growth. The output of major coal consumers including power, steel and cement increased by 13.4%, 13.7% and 18.1% respectively year-on-year. During the period, the national raw coal production volume reached 792 million tonnes, representing a year-on-year increase of 8.3%. On the national basis, coal import was 32.37 million tonnes, decreasing by 26.4% year-on-year; coal export was 5.78 million tonnes, increasing by 1.3% year-on-year; and net coal import for the first quarter was 26.59 million tonnes, decreasing by 31.3% year-on-year. The spot prices of thermal coal remained high, presenting slight fluctuation during the first quarter, mainly attributable to the positive macro economy, in-depth consolidation of coal resources in Shaanxi and Inner Mongolia and the decreased coal import. The comprehensive average price of thermal coal (net calorific value of 5,500 kcal) in Bohai Bay was RMB779/tonne at the quarter beginning, bottomed at RMB767/tonne and closed at RMB773/tonne at the end of the first quarter.

It is expected that in the later three quarters of 2011, the domestic supply and demand of thermal coal will remain essentially balanced, yet with potentially regional or sporadic shortage or excess due to seasonal and other factors. It is expected that throughout 2011 the spot price of thermal coal will be volatile at high level.



(Source: National Statistics Bureau of China, China National Coal Association and www.cctd.com.cn)

Notes: 1. This section is for information only and does not constitute any proposals for investment. Given the relevant industrial information was provided by third party, the Company has done its best to ensure the accuracy and reliability of information in this section which is provided by a third party, but does not assume any liabilities or provide any forms of guarantee for the accuracy, completeness or effectiveness of all or part of its content. The Company disclaims any liabilities arising from errors or omissions, if any.

2. Bohai Bay Thermal Coal Price Index is an index family reflecting the levels and movement of thermal coal prices (FOB prices) at six ports including Qinhuangdao Port, Tianjin Port, Caofeidian Port, Jingtang Port, Guotou Jingtang Port and Huanghua Port in the Bohai Rim region. It comprises two components, namely thermal coal prices at the ports and the comprehensive index. The latter represents the comprehensive average price of thermal coal (5,500 kcal/kg) at the ports, which has been published since 13 October 2010. For details please refer to www.china-price.com.cn or <http://www.osc.org.cn>.

4.4 The progress of significant events and the impact thereof as well as the analysis and explanations for the solutions

(1) At the First Extraordinary General Meeting for 2011 of the Company held on 25 February 2011, the Company was approved to acquire equity interests or assets of 10 subsidiaries engaged in coal, power and related businesses directly or indirectly held by the parent Shenhua Group Corporation and its subsidiaries, details of which are set out in the Company's announcement on resolutions passed at the First Extraordinary General Meeting for 2011.

As of 31 March 2011, save for the acquisition of Shenhua Finance Company Limited pending the approval from relevant financial regulatory authorities, the above-mentioned acquisitions were completed on 28 February 2011. The acquisition of Shenhua Finance Co Ltd has been completed on 29 April 2011.

(2) On 5 March 2011, the Company released the Announcement on Coal Resources at Xinjie Taigemiao Exploration Area of China Shenhua Energy Company Limited (No. Lin 2011-006). Shenhua Xinjie Energy Co., Ltd., a subsidiary of the Company with 70% equity interests held, has applied for the exploration right for Xinjie Taigemiao Mining Area in accordance with relevant regulation and embarked on the preliminary work for overall mining area planning, and is getting through the procedures for application of the exploration permit.

Xinjie Taigemiao Mining Area is located in Erdos, Inner Mongolia autonomous region. With estimated coal resources of 13 billion tonnes, it is a greenfield large-scale integrated coal field neighbouring Shendong Mines. Given its resource conditions suitable for large-scale mechanized mining, it will be built into a modern mining area with annual capacity of 100 million tonnes of commercial coal. The integrated exploration and development of Xinjie Taigemiao Mining Area, thanks to its proximity to Shendong Mines, can make full use of the Company's existing infrastructure and leverage on the strengths of its integrated operation of coal, power, railway, port and shipping for sustainable development.

4.5 The commitments by the Company, shareholders and de facto controller and the performance thereof

During/up to the reporting period, commitments made by Shenhua Group Corporation, the controlling shareholder of the Company and the performance thereof are as follows:

Commitments	Performance
Non-competition Agreement between Shenhua Group Corporation and the Company	Shenhua Group Corporation honored its commitments, and there was no violation of such commitments

Note: For details of commitments, please refer to the section titled 'Significant Events' in the 2010 Annual Report of the Company.

4.6 Explanations and warnings in respect of forecast of a probable loss in respect of the accumulated net profits from the beginning of the financial year to the end of the next reporting period or any significant changes as compared to the corresponding period of last year

Applicable Not Applicable

4.7 Investment in securities

Applicable Not Applicable

4.8 The Company does not have any plans to declare or distribute quarterly dividend (including cash dividend) to its shareholders.

By order of the Board
China Shenhua Energy Company Limited
Huang Qing
Secretary to the Board of Directors

Beijing, 29 April 2011

As at the date of this announcement, the Board comprises Dr. Zhang Xiwu, Dr. Zhang Yuzhuo and Dr. Ling Wen as executive Directors, Mr. Han Jianguo, Mr. Liu Benren and Mr. Xie Songlin as non-executive Directors, and Ms. Fan Hsu Lai Tai, Mr. Gong Huazhang and Mr. Guo Peizhang as independent non-executive Directors.

Appendix

Prepared under IFRSs

Consolidated statement of comprehensive income For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)
Revenues		
Coal revenue	32,773	22,334
Power revenue	12,616	10,232
Other revenues	2,000	1,009
Total operating revenues	47,389	33,575
Total cost of revenues	(27,823)	(17,691)
Selling, general and administrative expenses	(2,403)	(1,954)
Other operating expenses, net	17	23
Total operating expenses	(30,209)	(19,622)
Profit from operations	17,180	13,953
Finance income	270	230
Finance expenses	(779)	(729)
Net finance costs	(509)	(499)
Investment (loss)/ income	(1)	156
Share of profits less losses of associates	58	131
Profit before income tax	16,728	13,741
Income tax	(3,923)	(2,797)
Profit for the period	12,805	10,944
Other comprehensive income		
Exchange differences on translation of financial statements of overse subsidiaries	47	(64)
Total comprehensive income for the period	12,852	10,880
Profit attributable to:		
Equity shareholders of the Company	11,031	9,459
Non-controlling interests	1,774	1,485
Profit for the period	12,805	10,944
Total comprehensive income attributable to:		
Equity shareholders of the Company	11,078	9,395
Non-controlling interests	1,774	1,485
Total comprehensive income for the period	12,852	10,880
Earnings per share (RMB)		
- Basic	0.555	0.476
- Diluted	0.555	0.476

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under IFRSs

Consolidated statement of financial position

As at 31 March 2011

Unit: RMB million (Unaudited)

Items	As at 31 March 2011	As at 31 December 2010 (restated)
Non-current assets		
Property, plant and equipment, net	188,092	187,926
Construction in progress	32,814	33,219
Intangible assets	3,280	3,249
Interest in associates	3,287	3,287
Other investments	1,079	1,003
Other non-current assets	10,241	10,292
Lease prepayments	11,589	11,409
Deferred tax assets	303	110
Total non-current assets	250,685	250,495
Current assets		
Inventories	12,130	11,574
Accounts and bills receivable, net	13,586	11,429
Prepaid expenses and other current assets	8,053	7,720
Restricted bank deposits	323	-
Time deposits with original maturity over three months	1,651	2,029
Cash and cash equivalents	70,504	74,517
Total current assets	106,247	107,269
Current liabilities		
Short-term borrowings and current portion of long-term borrowings	10,852	17,273
Accounts and bills payable	19,935	19,651
Accrued expenses and other payables	23,275	21,647
Current portion of long-term payables	393	498
Income tax payable	5,225	4,508
Total current liabilities	59,680	63,577
Net current assets	46,567	43,692
Total assets less current liabilities	297,252	294,187
Non-current liabilities		
Long-term borrowings, less current portion	50,487	52,394
Long-term payables, less current portion	2,109	2,105
Accrued reclamation obligations	1,707	1,702
Deferred tax liabilities	1,305	1,289
Total non-current liabilities	55,608	57,490
Net assets	241,644	236,697
Equity		
Share capital	19,890	19,890
Reserves	188,020	184,345
Equity attributable to equity shareholders of the Company	207,910	204,235
Non-controlling interests	33,734	32,462
Total equity	241,644	236,697

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under IFRSs

Consolidated statement of cash flows
For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)
Operating activities		
Cash generated from operations	23,718	15,099
Interest received	270	208
Interest paid	(970)	(1,006)
Income tax paid	(3,978)	(2,232)
Net cash generated from operating activities	19,040	12,069
Investing activities		
Capital expenditure	(6,637)	(6,661)
Lease prepayments	(181)	(115)
Acquisition of subsidiaries	(7,666)	-
Purchase of other investments	-	(1,138)
Proceeds from disposal of other investments	-	163
Proceeds from disposal of property, plant and equipment	2	4
Dividend received from other investments	-	1
Increase in restricted bank deposits	(323)	(134)
Decrease in restricted bank deposits	-	278
Increase in time deposits with original maturity over three months	(30)	(10,211)
Maturity of time deposits with original maturity over three months	408	5,210
Net cash used in investing activities	(14,427)	(12,603)
Financing activities		
Proceeds from borrowings	2,146	9,632
Repayments of borrowings	(10,448)	(10,171)
Contributions from non-controlling interests	325	26
Contributions from shareholders	-	278
Distributions to non-controlling interests	(652)	(557)
Net cash used in financing activities	(8,629)	(792)
Net decrease in cash and cash equivalents	(4,016)	(1,326)
Cash and cash equivalents, at the beginning of the period	74,517	67,013
Effect of foreign exchange rate changes	3	(5)
Cash and cash equivalents, at the end of the period	70,504	65,682

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Consolidated income statement
For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)
Operating income	47,389	33,575
Less: Operating costs	27,145	16,972
Business taxes and surcharges	1,064	952
Selling expenses	309	226
Administrative expenses	2,539	2,294
Financial expenses	453	524
Impairment loss	4	(1)
Add: (Loss)/gain from changes in fair value	(56)	25
Investment income	89	289
(Including: income from investment in associates)	58	131
Operating profit	15,908	12,922
Add: Non-operating income	65	51
Less: Non-operating expenses	81	30
(Including: Loss from disposal of non-current assets)	-	9
Profit before income tax	15,892	12,943
Less: Income tax expenses	3,717	2,593
Net profit	12,175	10,350
(Including: Net profit realized by the acquirees before the consolidation)	147	234
Net profit attributable to equity shareholders of the Company	10,467	8,921
Minority interests	1,708	1,429
Earnings per share:		
(1) Basic earnings per share (RMB)	0.526	0.449
(2) Diluted earnings per share (RMB)	0.526	0.449
Other comprehensive income	47	(64)
Total comprehensive income	12,222	10,286
Total comprehensive income attributable to the equity shareholders of the Company	10,514	8,857
Total comprehensive income attributable to the minority interests	1,708	1,429

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Income statement
For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010
Operating income	42,822	31,997
Less: Operating costs	36,534	27,081
Business taxes and surcharges	595	553
Selling expenses	116	136
Administrative expenses	1,053	995
Net financial gains	(99)	(79)
Add: (Loss)/ gain from changes in fair value	(56)	25
Investment income	1,206	824
(Including: income from investment in associates)	12	58
Profit before income tax	5,773	4,160
Add: Non-operating income	11	26
Less: Non-operating expenses	54	16
(Including: Loss from disposal of non-current assets)	-	8
Profit before income tax	5,730	4,170
Less: Income tax expenses	1,032	634
Net profit	4,698	3,536
Other comprehensive income	-	-
Total comprehensive income	4,698	3,536

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Consolidated balance sheet
As at 31 March 2011

Unit: RMB million (Unaudited)

Items	As at 31 March 2011	As at 31 December 2010 (restated)
Current assets		
Cash at bank and on hand	72,478	76,546
Financial assets held for trading	424	480
Bills receivable	1,542	2,184
Accounts receivable	12,044	9,245
Prepayments	1,929	1,814
Other receivables	5,700	5,426
Inventories	12,130	11,574
Total current assets	106,247	107,269
Non-current assets		
Long-term equity investments	4,314	4,238
Fixed assets	167,899	167,360
Construction in progress	31,673	31,321
Construction materials	1,141	1,898
Intangible assets	29,582	29,721
Long-term deferred expenses	1,729	1,744
Deferred tax assets	1,051	858
Other non-current assets	9,252	9,261
Total non-current assets	246,641	246,401
Total assets	352,888	353,670

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Consolidated balance sheet (continued)

As at 31 March 2011

Unit: RMB million (Unaudited)

Items	As at 31 March 2011	As at 31 December 2010 (restated)
Current liabilities		
Short-term loans	4,133	9,577
Bills payable	19,935	19,651
Receipts in advance	4,140	3,953
Staff costs payable	3,961	3,462
Tax payables	10,501	9,347
Interest payable	223	171
Dividend payable	1,484	1,668
Other payables	8,191	7,554
Non-current liabilities due within one year	7,112	8,194
Total current liabilities	59,680	63,577
Non-current liabilities		
Long-term loans	50,487	52,394
Long-term payables	2,109	2,105
Estimated liabilities	1,707	1,702
Deferred tax liabilities	274	315
Total non-current liabilities	54,577	56,516
Total liabilities	114,257	120,093
Shareholders' equity		
Share capital	19,890	19,890
Capital reserve	84,421	91,942
Specific reserve	4,080	3,336
Surplus reserves	11,433	11,433
Retaining earnings	84,571	74,104
Exchange differences on translation of financial statements of overseas subsidiaries	727	680
Total equity attributable to equity shareholders of the Company	205,122	201,385
Minority interests	33,509	32,192
Total shareholders' equity	238,631	233,577
Total liabilities and shareholders' equity	352,888	353,670

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Balance sheet
As at 31 March 2011

Unit: RMB million (Unaudited)

Items	As at 31 March 2011	As at 31 December 2010
Current assets		
Cash at bank and on hand	62,799	69,968
Financial assets held for trading	424	480
Bills receivable	725	1,700
Accounts receivable	12,926	10,564
Prepayments	1,036	863
Dividend receivable	1,465	2,039
Other receivables	7,704	5,718
Inventories	8,479	8,219
Other current assets	20,266	20,762
Total current assets	115,824	120,313
Non-current assets		
Long-term equity investments	52,374	45,312
Fixed assets	41,040	42,845
Construction in progress	6,676	4,322
Construction materials	-	125
Intangible assets	14,649	14,779
Long-term deferred expenses	1,284	1,249
Deferred tax assets	173	157
Other non-current assets	8,650	9,528
Total non-current assets	124,846	118,317
Total assets	240,670	238,630

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Balance sheet (continued)

As at 31 March 2011

Unit: RMB million (Unaudited)

Items	As at 31 March 2011	As at 31 December 2010
Current liabilities		
Accounts payable	12,372	12,989
Receipts in advance	2,473	2,501
Staff costs payable	2,294	2,035
Tax payables	6,111	6,237
Interest payable	89	66
Other payables	5,528	5,679
Non-current liabilities due within one year	975	1,466
Other current liabilities	31,275	29,514
Total current liabilities	61,117	60,487
Non-current liabilities		
Long-term loans	9,008	9,152
Long-term payables	1,957	1,582
Estimated liabilities	1,068	1,060
Total non-current liabilities	12,033	11,794
Total liabilities	73,150	72,281
Shareholders' equity		
Share capital	19,890	19,890
Capital reserve	83,539	87,621
Specific reserve	3,342	2,704
Surplus reserves	11,433	11,433
Retaining earnings	49,316	44,701
Total shareholders' equity	167,520	166,349
Total liabilities and shareholders' equity	240,670	238,630

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Consolidated statement of cash flows
For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010 (restated)
1. Cash flows from operating activities		
Cash received from sale of goods and rendering of services	52,445	38,534
Refund of taxes	2	5
Other cash received relating to operating activities	746	318
Sub-total of cash inflows from operating activities	53,193	38,857
Cash paid for goods and services	(21,478)	(14,074)
Cash paid to and for employees	(2,417)	(2,381)
Cash paid for all types of taxes	(9,079)	(8,963)
Other cash paid relating to operating activities	(551)	(574)
Sub-total of cash outflows from operating activities	(33,525)	(25,992)
Net cash flows from operating activities	19,668	12,865
2. Cash flows from investing activities		
Cash received from disposal of investments	-	163
Cash received from return on investments	32	3
Net cash received from disposal of fixed assets and intangible assets	2	4
Cash received on maturity of time deposits from financial institutions	408	5,210
Cash received for restricted deposits from financial institutions	-	278
Other cash received relating to investing activities	270	208
Sub-total of cash inflows from investing activities	712	5,866
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(6,818)	(6,776)
Cash paid for acquisition of subsidiaries	(7,666)	-
Cash paid for investments	-	(1,138)
Cash paid for time deposits with financial institutions	(30)	(10,211)
Cash paid for restricted deposits with financial institutions	(323)	(134)
Sub-total of cash outflows from investing activities	(14,837)	(18,259)
Net cash flows from investing activities	(14,125)	(12,393)
3. Cash flows from financing activities		
Cash received from investments	325	26
Contributions from shareholders	-	278
Cash received from loans	2,146	9,632
Other cash received relating to financing activities	40	-
Sub-total of cash inflows from financing activities	2,511	9,936
Cash repayments of loans	(10,448)	(10,171)
Cash paid for dividend, profit distribution or interest	(1,622)	(1,563)
(Including: Dividend paid to minority shareholders by subsidiaries)	(652)	(557)
Sub-total of cash outflows from financing activities	(12,070)	(11,734)

Net cash flows from financing activities	(9,559)	(1,798)
Effect of foreign exchange rate changes on cash and cash equivalents	3	(5)
4. Net decrease in cash and cash equivalents	(4,013)	(1,331)
Add: Cash and cash equivalents at the beginning of the period	74,517	67,013
Cash and cash equivalents at the end of the period	70,504	65,682

Legal Representative: Zhang Xiwu Chief Financial Officer: Zhang Kehui
General Manager of Finance Department: Hao Jianxin

Prepared under Accounting Standards for Business Enterprises

Statement of cash flows
For the three months ended 31 March 2011

Unit: RMB million (Unaudited)

Items	For the three months ended 31 March 2011	For the three months ended 31 March 2010
1. Cash flows from operating activities		
Cash received from sale of goods and rendering of services	47,677	27,786
Refund of taxes	2	-
Other cash received relating to operating activities	824	690
Sub-total of cash inflows from operating activities	48,503	28,476
Cash paid for goods and services	(44,438)	(21,523)
Cash paid to and for employees	(1,100)	(1,025)
Cash paid for all types of taxes	(4,590)	(5,347)
Other cash paid relating to operating activities	(256)	(259)
Sub-total of cash outflows from operating activities	(50,384)	(28,154)
Net cash flows from operating activities	(1,881)	322
2. Cash flows from investing activities		
Cash received from disposal of investments	11,434	3,633
Cash received from return on investments	1,809	614
Net cash received from disposal of fixed assets and intangible assets	45	4
Cash received on maturity of time deposits from financial institutions	-	5,200
Cash received for restricted deposits from financial institutions	-	49
Other cash received relating to investing activities	253	196
Sub-total of cash inflows from investing activities	13,541	9,696
Cash paid for acquisition of fixed assets and intangible assets	(2,548)	(1,672)
Cash paid for acquisition of subsidiaries	(7,666)	-
Cash paid for investments	(12,651)	(4,987)
Cash paid for time deposits with financial institutions	-	(10,200)
Cash paid for restricted deposits with financial institutions	(323)	(39)
Sub-total of cash outflows from investing activities	(23,188)	(16,898)
Net cash flows from investing activities	(9,647)	(7,202)
3. Cash flows from financing activities		
Cash received from loans	35,314	27,779
Sub-total of cash inflows from financing activities	35,314	27,779
Cash repayments of loans	(31,103)	(23,829)
Cash paid for dividend, profit distribution or interest	(175)	(149)
Sub-total of cash outflows from financing activities	(31,278)	(23,978)
Net cash flows from financing activities	4,036	3,801
4. Net decrease in cash and cash equivalents	(7,492)	(3,079)
Add: Cash and cash equivalents at the beginning of the period	68,368	62,364
Cash and cash equivalents at the end of the period	60,876	59,285

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