



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: 1088)

**ANNOUNCEMENT ON CHANGE OF SCOPE OF CONSOLIDATED
FINANCIAL STATEMENTS
(Overseas Regulatory Announcement)**

Special Notification

China Shenhua Energy Company Limited and all members of its board of directors warrant the authenticity, accuracy and completeness of the information contained in this announcement, and jointly and severally accept full responsibility for any misrepresentation, misleading statements or material omissions contained in this announcement.

On 15 November 2007, the shareholders' meeting of Hebei Guohua Dingzhou Power Co., Ltd. ("**Dingzhou Power**") , in which China Shenhua Energy Company Limited ("**the Company**") holds a 40.5% interest, passed a resolution on change of its members of board of directors and amendment to its Articles of Association.

According to the resolution by such shareholders' meeting, five directors including one employee director of Dingzhou Power are nominated by the Company, constituting the majority of the board of directors which comprises nine directors in total; pursuant to article 57 of the amended Article of Association, the Company is to consolidate the financial statements of Dingzhou Power according to the existing accounting standard for business enterprises.

The Company holds a 40.5% interest of Dingzhou Power. The remaining shareholding of Dingzhou Power is as follows: Hebei Provincial Construction Investment Corporation holds a 40.5% interest of Dingzhou Power and Datang Hebei Power Generation Co., Ltd holds a 19% interest of Dingzhou Power.

After the aforesaid resolution takes effect, the principal impact of such resolution on the Company includes but is not limited to as follows:

1. Financial: Dingzhou Power will be identified as a subsidiary of the Company, and will be included into the scope of the Company's consolidated financial statements. The Company's profits deriving from Dingzhou Power will not be influenced by such change. According to the PRC Accounting Standard, the unaudited net asset of Dingzhou Power as at the date of 30 June 2007 is RMB 1,142.44 million; the statutory audited net profit of Dingzhou Power for the year ended 31 December 2006 is RMB 306.317 million; the unaudited net profit of Dingzhou Power for the six months ended 30 June 2007 is RMB 112.03 million.

2. Business: Dingzhou Power currently operates Phase I project (2×600MW), which will cause the increase of total installed capacity and equity installed capacity controlled and operated by the Company and its subsidiaries by 1,200 MW and 486 MW respectively; data regarding power generation, power output dispatch and utilization hours of Dingzhou Power after the resolution takes effect will be incorporated into data of the Company's power segment.

3. Progress of the project: "Resolution on Further Investment in the Construction of Phase II 2×660MW Power Generation Project of Hebei Guohua Dingzhou Power Co., Ltd" was adopted by the aforesaid shareholder's meeting. Such Phase II Project has been approved according to Fai Gai Neng Yuan No. [2007] 1313 document issued by the State Development and Reform Commission on 15 June 2007. The static total investment of the project is RMB 4.26 billion and the dynamic total investment is RMB 4.55 billion.

Above materials were based on the internal information of the Company. Except where otherwise noted, these materials have not been audited by any independent auditor yet and may somewhat differ from the results after the independent auditing was conducted. The investors are hereby reminded of the risks which may result from inappropriate reliance upon or utilization of the information given above.

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

Beijing, 26 November 2007

As at the date of this announcement, the Board comprises Mr. Chen Biting and Dr. Ling Wen, as executive directors, Mr. Yun Gongmin, Dr. Zhang Xiwu, Dr. Zhang Yuzhuo and Mr. Han Jianguo, as non-executive directors, and Mr. Huang Yicheng, Mr. Anthony Francis Neoh and Dr. Chen Xiaoyue, as independent non-executive directors.