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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)**

**THIRD QUARTERLY REPORT FOR THE YEAR 2012**

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.

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The board of directors of the Company (the “Board”) is pleased to announce the results of the Company and its subsidiaries for the nine months ended 30 September 2012 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 and 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 thirty-second meeting of the second session of the Board of the Company. Nine out of nine eligible directors of the Company attended the meeting in person.

- 1.3 The financial statements of this report, which are prepared in accordance with IFRSs, have not been audited or reviewed. Please refer to section 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 In April 2012, the Company completed the acquisition of the 50% equity interests in Guohua Taicang Power Generation Co., Ltd., the 100% equity interests in Shenhua International (Hong Kong) Company Limited and the 60% equity interests in Shenhua Bayannur Energy Co., Ltd., as business combination under common control. These acquired companies and assets have been consolidated into the financial statements and operational data from January to September in 2012 of the Company, and the financial statements and the related operational data from January to September in 2011 have been restated.
- 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 statements contained in this report.
- 1.6 Unless otherwise specified, the figures in this report are presented in Renminbi (RMB).

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

In the third quarter, under the circumstances of sluggish coal and power demands in the market, the Company, through fully leveraging on its advantages of integrated operation, made well preparations and responded proactively to such situation in a bid to achieve its annual operational target. Efforts were focused on the improvement of coal sales, safe production, coordination of transportation as well as the operation and business development of power generation. Coal segment adapted actively to market changes to secure safe, balanced and efficient production, leading to continuous growth in coal production volume. Despite the weakening demand, the power segment carried out the sales strategies of maximizing power output in a proactive manner to tackle such adverse impact, and seized the favorable opportunities in the industry to acquire new power sources in Chongqing, Fujian and Anhui. Railway, port and shipping segment strengthened the organization and coordination of operation to ensure efficient operation for securing stable production and sales. Construction projects such as Ganquan Railway and bulk freighters were under smooth progress. Adhering to its principles of marketing as priority and with its increased efforts in market exploration and continuous enhancement in dispatching, transportation and sales structure, the Company realized relatively fast growth in coal sales volume. In general, the Company managed to overcome the adverse impact from the weak market demand and realized satisfactory results in its integrated operation among production, transportation and sales.

For the nine months ended 30 September 2012, the commercial coal production volume of the Company reached 230.9 million tonnes (for the nine months ended 30 September 2011 (restated): 209.9 million tonnes), representing a year-on-year increase of 10.0%; coal sales volume reached 329.9 million tonnes (for the nine months ended 30 September 2011 (restated): 286.5 million tonnes), representing a year-on-year increase of 15.1%; seaborne coal sales volume reached 181.4 million tonnes (for the nine months ended 30 September 2011 (restated): 158.5 million tonnes), representing a year-on-year increase of 14.4%; turnover of self-owned railways transportation reached 129.5 billion tonnes km (for the nine months ended 30 September 2011 (restated): 121.0 billion tonnes km), representing a year-on-year increase of 7.0%; total power output dispatch reached 144.80 billion kwh, (for the nine months ended 30 September 2011 (restated): 131.73 billion kwh), representing a year-on-year increase of 9.9%.

Under IFRSs, the revenues realised by the Company were RMB178,367 million (for the nine months ended 30 September 2011 (restated): RMB154,411 million), representing a year-on-year increase of 15.5%; the profit attributable to equity shareholders of the Company was RMB38,767 million (for the nine months ended 30 September 2011 (restated): RMB35,722 million), representing a year-on-year increase of 8.5%; and the basic earnings per share reached RMB1.949 (for the nine months ended 30 September 2011 (restated): RMB1.796), representing a year-on-year increase of 8.5%.

During the fourth quarter, the Company will continue to enhance the organization and coordination among different business segments, strengthen and better the integrated operation model, seize the favorable opportunity brought by the changing demand, focus on the organization of coal sources and sales, as well as maintain safe production and transportation organization and secure more market share in power generation. In addition, the Company will push forward the construction of key projects, beef up business development, cement cost management and the construction of information technology. In order to attain the annual operational target and create more values for shareholders, the Company is committed to further improving its quality of operation and management as well as core competitiveness.

### 3. COMPANY PROFILE

#### 3.1 Major financial indicators prepared in accordance with IFRSs

	<b>For the nine months ended 30 September 2012</b>	For the nine months ended 30 September 2011 (restated)	Percentage change %
<b>Per share (RMB/share)</b>			
Basic earnings per share	<b>1.949</b>	1.796	8.5
Net cash generated from operating activities per share	<b>2.82</b>	3.60	(21.7)
<b>Current period (RMB million)</b>			
Revenues	<b>178,367</b>	154,411	15.5
Profit attributable to equity shareholders of the Company	<b>38,767</b>	35,722	8.5
Net cash generated from operating activities	<b><u>56,123</u></b>	<b><u>71,638</u></b>	<b><u>(21.7)</u></b>
	<b>As at 30 September 2012</b>	As at 31 December 2011 (restated)	Percentage change %
Total assets (RMB million)	<b>441,973</b>	406,507	8.7
Total liabilities (RMB million)	<b>147,169</b>	138,393	6.3
Total equity (RMB million)	<b>294,804</b>	268,114	10.0
Of which: Equity attributable to equity shareholders of the Company (RMB million)	<b>246,484</b>	228,199	8.0
Shareholders' equity per share (RMB/share)	<b><u>12.39</u></b>	<b><u>11.47</u></b>	<b><u>8.0</u></b>

### 3.2 Major operational data

Operational indicators	2012		2011 (restated)		Year-on-year increase/decrease (%)	
	For the three months ended 30 September	For the nine months ended 30 September	For the three months ended 30 September	For the nine months ended 30 September	For the three months ended 30 September	For the nine months ended 30 September
Commercial coal production (million tonnes)	75.1	230.9	69.5	209.9	8.1	10.0
Coal sales (million tonnes)	107.8	329.9	95.3	286.5	13.1	15.1
Of which: Export (million tonnes)	0.6	2.8	1.2	4.4	(50.0)	(36.4)
Import (million tonnes)	3.4	5.7	-	-	N/A	N/A
Turnover of self-owned railways transportation (billion tonne km)	42.5	129.5	40.3	121.0	5.5	7.0
Seaborne coal (million tonnes)	61.0	181.4	55.8	158.5	9.3	14.4
Huanghua Port seaborne coal <sup>Note</sup> (million tonnes)	23.7	67.2	N/A	N/A	N/A	N/A
Shenhua Tianjin Coal Dock seaborne coal <sup>Note</sup> (million tonnes)	8.5	20.2	N/A	N/A	N/A	N/A
Shipping volume (million tonnes)	26.2	73.6	22.0	59.5	19.1	23.7
Shipment turnover (billion tonne nautical miles)	22.6	62.3	19.9	52.6	13.6	18.4
Gross power generation (billion kwh)	52.90	155.63	52.21	141.22	1.3	10.2
Total power output dispatch (billion kwh)	49.14	144.80	48.74	131.73	0.8	9.9

*Note:* the data listed in the table above represent the settlement volume of seaborne coal in Huanghua Port and Shenhua Tianjin Coal Dock from January to September 2012 while the data disclosed for the corresponding period last year represented the shipping volume of coal in Huanghua Port and Shenhua Tianjin Coal Dock.

### 3.3 Major differences of financial statements prepared under different accounting standards

*Unit: RMB million*

Items	Net profit attributable to equity shareholders of the Company		Net assets attributable to equity shareholders of the Company	
	For the nine months ended 30 September 2012	For the nine months ended 30 September 2011 (restated)	As at 30 September 2012	As at 31 December 2011 (restated)
Under the Accounting Standards for Business Enterprises	36,555	34,323	243,472	225,529
Adjustment:				
Adjustments for production maintenance, production safety and other related expenditures and others	2,212	1,399	3,012	2,670
Under IFRSs	38,767	35,722	246,484	228,199

Explanation on the differences between domestic and international accounting standards: Pursuant to the relevant regulations of the related government authorities in the People's Republic of China (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 for the period 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 as and when incurred. Relevant capital expenditures are recognised as property, plant and equipment as and when incurred and depreciated according to the relevant depreciation method. The effect of deferred tax arising from such difference is also reflected.

### 3.4 Total number of shareholders and shareholding of top ten holders 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 311,724 shareholders of the Company, of which 309,133 were holders of A shares (including Shenhua Group Corporation) and 2,591 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	14,521,846,560	RMB ordinary shares
HKSCC NOMINEES LIMITED	3,390,718,620	Overseas listed foreign shares
China Life Insurance Company Limited – Bonus – Personal Bonus – 005L – FH002 Shanghai	94,469,288	RMB ordinary shares
Industrial and Commercial Bank of China – SSE 50 Index Trading Open-ended Securities Investment Fund	29,114,442	RMB ordinary shares
Bank of Communications – E Fund 50 Index Securities Investment Fund	26,408,283	RMB ordinary shares
China Construction Bank – the Great Wall Brand Preferred Equity Securities Investment Fund	24,137,656	RMB ordinary shares

Unit: number of shares

Name of shareholders	Number of shares held not subject to selling restrictions	Type of shares
China Merchants Securities Co. Ltd. – Client Account of Collateral Securities for Margin Trading	22,562,054	RMB ordinary shares
Bank of China Limited – Harvest Shanghai Shenzhen 300 Index Open-ended Securities Investment Fund	15,972,136	RMB ordinary shares
China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai	15,724,290	RMB ordinary shares
Yangjiang Xizhilang Pudding Manufacturing Co., Ltd. (陽江喜之郎果凍製造有限公司)	15,053,098	RMB ordinary shares

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

For the period from 9 January 2012 to the end of the reporting period, Shenhua Group Corporation Limited increased its shareholding in the A shares of the Company by purchasing 10,808,605 A shares of the Company on 9 January 2012 through the trading system of the Shanghai Stock Exchange. Upon the increase in shareholding, Shenhua Group Corporation held 14,521,846,560 A Shares of the Company, accounting for 73.01% of the total number of shares in issue of the Company. Details are set out in the Company's announcement dated 9 January 2012.

#### 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 nine months ended 30 September 2012, revenues of the Group under IFRSs were RMB178,367 million (for the nine months ended 30 September 2011 (restated): RMB154,411 million), representing a year-on-year increase of 15.5%. Due to the significant growth in the cost of coal purchased from third parties and the increase in the production volume of self-produced coal, unit production cost and power generation, the Group's cost of revenues reached RMB114,743 million (for the nine months ended 30 September 2011 (restated): RMB92,384 million), representing a year-on-year increase of 24.2%. Selling, general and

administration expenses increased to RMB8,970 million (for the nine months ended 30 September 2011 (restated): RMB7,815 million), representing a year-on-year growth of 14.8%, which was attributable to the expansion of operating scale. Profit attributable to equity shareholders of the Company was RMB38,767 million (for the nine months ended 30 September 2011 (restated): RMB35,722 million), representing a year-on-year increase of 8.5%.

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 nine months ended 30 September 2012	For the nine months ended 30 September 2011 (restated)	Percentage change %	Reasons for changes
Revenues	178,367	154,411	15.5	Mainly due to the increase in sales volume of coal and power output dispatch, as well as the rise of power tariff
Total cost of revenues	114,743	92,384	24.2	Mainly due to the increase in the volume of self-produced coal and power generation, which resulted in the increase in relevant production expenses, as well as the rise in the volume of coal purchased from third parties
Selling, general and administrative expenses	8,970	7,815	14.8	Mainly due to the rise in expenses of different items as a result of the expansion of operating scale
Income tax	8,266	11,121	(25.7)	During the reporting period, the average income tax rate for the Group was 15.6%, representing a decrease of 5.7 percentage points as compared with 21.3% of the corresponding period of 2011 (restated). Such change was because the tax payable for 2011 as well as the carrying value of deferred tax assets and liabilities of certain subsidiaries of the Group had been adjusted during the reporting period due to the impact of the change in the preferential policies for income tax



*Unit: RMB million*

<b>Consolidated statement of financial position</b>	<b>As at 30 September 2012</b>	As at 31 December 2011 (restated)	Percentage change %	Reasons for changes
Construction in progress	<b>56,688</b>	34,384	64.9	Mainly due to the increase in investment in construction in progress, mainly related to Huangyuchuan mine, the construction of Bazhun Railway and Ganquan Railway, the capacity expansion of Shuohuang Railway, Phase III of Huanghua Port and power plants in construction
Inventories	<b>17,412</b>	12,939	34.6	Mainly attributable to the increase in coal inventories as well as the increase in number of ancillary materials, spare parts and small tools resulted from the increase in number of equipment requiring maintenance
Accounts and bills receivable, net	<b>16,679</b>	13,618	22.5	Mainly attributable to the increase in receivables from coal and power sales due to income growth
Prepaid expenses and other current assets	<b>17,974</b>	12,694	41.6	Mainly due to the increase in the input tax for import businesses payable to freight forwarders who will pay such taxes on behalf of the Company, and the increase in advance deposit of railway transportation expenses and loans granted by Shenhua Finance Company
Accounts and bills payable	<b>27,182</b>	23,763	14.4	Mainly attributable to the increase in inventories acquired including coal, materials and spare parts as a result of the pick-up in business, as well as the increase in bank acceptance payable of newly acquired enterprises
Accrued expenses and other payables	<b>50,745</b>	39,286	29.2	Mainly due to the increase in total amount of deposits with Shenhua Finance Company

*Unit: RMB million*

Consolidated statement of cash flows	For the nine months ended 30 September 2012	For the nine months ended 30 September 2011 (restated)	Percentage change %	Reasons for changes
Cash generated from operations	70,285	84,484	(16.8)	Mainly attributable to the year-on-year decrease in deposits with and the year-on-year increase in loans granted by Shenhua Finance Company
Capital expenditure	29,541	36,788	(19.7)	Mainly attributable to the year-on-year decrease in cash paid for the acquisition and construction of assets during the Reporting Period
Proceeds from borrowings	17,686	7,913	123.5	Mainly attributable to the new short-term borrowings borrowed by the Group for the repayment of proceeds raised <sup>note</sup> and replenishment of working capital
Contributions from non-controlling interests	3,162	1,550	104.0	Mainly attributable to the increase in capital injection by non-controlling interests of the newly established companies including Shenwan Energy Company during the period

*Note:* On the twenty-third meeting of the second session of the Board held by the Company on 23 March 2012, the Board approved the use of idle proceeds of RMB6.5 billion for temporary liquidity replenishment for a period of six months commencing from 29 March 2012 and the fund shall be returned to the designated bank account for proceeds upon expiry. The Company returned all the funds to the designated bank account for proceed on 27 September 2012.

## 4.2 Analysis on key operational indicators of the coal segment

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

	For the nine months ended 30 September 2012			For the nine months ended 30 September 2011 (restated)			Change	
	Percentage to total		Price RMB/ tonne	Percentage to total		Price RMB/ tonne	Change in sales volume	Change in prices
	Sales volume Million tonnes	sales volume %		Sales volume Million tonnes	sales volume %			
Domestic sales	326.6	99.0	421.9	282.1	98.5	431.5	15.8	(2.2)
<b>Long-term contract sales</b>	<b>132.5</b>	<b>40.2</b>	<b>348.6</b>	128.2	44.8	336.8	3.4	3.5
Mine mouth	10.0	3.0	184.1	8.0	2.8	146.4	25.0	25.8
Direct arrival								
(along railway line)	63.9	19.4	253.1	59.4	20.8	245.4	7.6	3.1
Seaborne	58.6	17.8	480.6	60.8	21.2	451.0	(3.6)	6.6
<b>Spot sales</b>	<b>194.1</b>	<b>58.8</b>	<b>471.9</b>	153.9	53.7	510.4	26.1	(7.5)
Mine mouth	26.7	8.1	137.6	29.8	10.4	170.2	(10.4)	(19.2)
Direct arrival								
(along railway line)	47.5	14.4	416.3	30.9	10.8	510.6	53.7	(18.5)
Seaborne	119.9	36.3	568.3	93.2	32.5	619.0	28.6	(8.2)
Export sales and others	3.3	1.0	817.5	4.4	1.5	702.5	(25.0)	16.4
<b>Total sales volume/ weighted average price</b>	<b>329.9</b>	<b>100.0</b>	<b>425.7</b>	286.5	100.0	435.6	15.1	(2.3)

Important notes: The above weighted average coal prices were 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 shall not be regarded as quoted prices of the long-term contracts of the Company.

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

	<b>For the nine months ended 30 September 2012</b>	For the nine months ended 30 September 2011 (restated)	Percentage change
	<b>RMB/ tonne</b>	<i>RMB/ tonne</i>	%
<b>Unit production cost of self-produced coal</b>	<b>121.2</b>	110.6	9.6
Raw materials, fuel and power	<b>24.5</b>	20.7	18.4
Personnel expenses	<b>14.6</b>	14.3	2.1
Repairs and maintenance	<b>8.3</b>	7.8	6.4
Depreciation and amortisation	<b>21.0</b>	20.5	2.4
Others	<b>52.8</b>	47.3	11.6

For the nine months ended 30 September 2012, the unit production cost of self-produced coal was RMB121.2/tonne (for the nine months ended 30 September 2011: RMB110.6/tonne), representing a year-on-year increase of 9.6%. The increase was mainly attributable to (1) the year-on-year increase of 18.4% in costs of raw materials, fuel and power as a result of the Company's increased resource allocation to safety production, the increase in the number of advancing tunnels, and the increase in the number of relevant mining and exploration equipment due to the continuing extension of tunnels; (2) the year-on-year increase of 6.4% in repair and maintenance as a result of the increase in the number of equipment requiring maintenance due to the periodic maintenance cycle; (3) the increase of 2.4% in the unit cost of depreciation and amortisation as a result of the addition to machinery and equipment.

Among the costs of self-produced coal, the year-on-year increase of 11.6% in "Others" was mainly attributable to the increased selecting and processing expenses and mining engineering expenses. "Others" comprises the following three parts, (1) 54% was from the expenses directly related to production, including production maintenance and safety production cost, selecting and processing expenses and mining engineering expenses, etc.; (2) 9% was from ancillary production expenses; and (3) 37% was from compensation for land acquisition and collapse, expenses on environmental protection, local fees, etc.

### 4.3 Overview of the industry

During the first three quarters of 2012, driven by the proactive fiscal policy and the prudent monetary policy of the central government, the overall Chinese economy continued to grow under a steady pace, demonstrating positive changes featuring a stable economic operation, accelerated structural adjustment and continuous improvement in inflation. The Chinese economy recorded a growth of 7.7% during the first three quarters; in particular, the third quarter posted a growth of 7.4%, representing a decrease of 0.2 percentage point as compared with the second quarter. With a slowdown in the quarter-on-quarter decrease rate, the economy has been gradually showing signs of stabilization. As various policies take effect, China's economy is expected to post a further stable trend in the fourth quarter of 2012.

In the third quarter of 2012, the tension of thermal coal supply in China relieved, with the spot price of coal decreasing substantially in July. In late August, due to the reduced production volume in the major production areas and the greater demand during the peak season in summer, the thermal coal price bottomed out with the coastal coal market showing signs of recovery. During the first three quarters of this year, the national coal production volume reached 2,880 million tonnes, representing a year-on-year increase of 3.6%. The total consumption of coal nationwide reached approximately 3,020 million tonnes, representing a year-on-year increase of 2.8% and a decrease of 7.5 percentage points in growth rate. The accumulated coal delivery through national railways amounted to 1,683 million tonnes, representing a year-on-year decrease of 0.1%. For the first three quarters, the accumulated coal imports reached 203 million tonnes in the PRC, representing a year-on-year increase of 36.3%, with the growth rate narrowing down for six months in a row.

Driven by the stable and promising trend of the macro-economy, the energy demand is expected to grow in the fourth quarter and the volume of imported coal will decrease as a result of fluctuations in price. Meanwhile, the demand of coal is expected to see seasonal growth resulted from the coal consumption for heating in winter. Coal price remained stable in its upward movement. The domestic supply and demand of thermal coal is expected to remain basically balanced in the fourth quarter, yet with potentially regional or sporadic shortage or excess.

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

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

Applicable     Not Applicable

**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 complied with its undertakings, and there was no violation of such undertakings

Shenhua Group Corporation proposes to increase its shareholding in the Company in its own name via the secondary market before 31 December 2012 by up to an aggregate amount of A shares not exceeding 2% of the total issued share capital of the Company. Shenhua Group Corporation undertakes that it will not dispose any shares it holds in the Company during the period of the implementation of the increase plan and within the statutory period.

Shenhua Group Corporation complied with its undertakings, and there was no violation of such undertakings

*Note:* For details of undertakings, please refer to the section titled ‘Significant Events’ in the 2011 Annual Report of the Company and the Company’s announcement dated 9 January 2012.

**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, 26 October 2012

*As at the date of this announcement, the Board comprises the following: Dr. Zhang Xiwu, Dr. Zhang Yuzhuo, Dr. Ling Wen and Mr. Han Jianguo as executive directors, Mr. Kong Dong and Mr. Chen Hongsheng 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 nine months ended 30 September 2012**

*Unit: RMB million (Unaudited)*

	<b>For the nine months ended 30 September 2012</b>	For the nine months ended 30 September 2011 (restated)
<b>Revenues</b>		
Coal revenue	<b>117,368</b>	101,788
Power revenue	<b>53,136</b>	45,414
Other revenues	<b>7,863</b>	7,209
Total revenues	<b>178,367</b>	154,411
Total cost of revenues	<b>(114,743)</b>	(92,384)
Selling, general and administrative expenses	<b>(8,970)</b>	(7,815)
Other operating expenses, net	<b>(44)</b>	(592)
<b>Total operating expenses</b>	<b>(123,757)</b>	(100,791)
<b>Profit from operations</b>	<b>54,610</b>	53,620
Finance income	<b>538</b>	747
Finance expenses	<b>(2,357)</b>	(2,387)
Net finance costs	<b>(1,819)</b>	(1,640)
Investment income	<b>27</b>	60
Share of profits less loss of associates	<b>304</b>	244
<b>Profit before income tax</b>	<b>53,122</b>	52,284
Income tax	<b>(8,266)</b>	(11,121)
<b>Profit for the period</b>	<b>44,856</b>	41,163
<b>Other comprehensive income</b>		
Exchange differences on translation of financial statements of overseas subsidiaries	<b>81</b>	(138)
<b>Total comprehensive income for the period</b>	<b>44,937</b>	41,025
<b>Profit attributable to:</b>		
Equity shareholders of the Company	<b>38,767</b>	35,722
Non-controlling interests	<b>6,089</b>	5,441
<b>Profit for the period</b>	<b>44,856</b>	41,163
<b>Total comprehensive income attributable to:</b>		
Equity shareholders of the Company	<b>38,845</b>	35,591
Non-controlling interests	<b>6,092</b>	5,434
<b>Total comprehensive income for the period</b>	<b>44,937</b>	41,025
<b>Earnings per share (RMB)</b>		
– Basic	<b>1.949</b>	1.796
– Diluted	<b>1.949</b>	1.796

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 30 September 2012

Unit: RMB million (Unaudited)

	As at 30 September 2012	As at 31 December 2011 (restated)
<b>Non-current assets</b>		
Property, plant and equipment, net	222,095	223,329
Construction in progress	56,688	34,384
Intangible assets	3,771	3,610
Interest in associates	4,718	3,992
Other long-term equity investments	1,124	835
Other non-current assets	19,208	18,915
Lease prepayments	12,717	11,983
Deferred tax assets	1,020	933
<b>Total non-current assets</b>	<b>321,341</b>	<b>297,981</b>
<b>Current assets</b>		
Inventories	17,412	12,939
Accounts and bills receivable, net	16,679	13,618
Prepaid expenses and other current assets	17,974	12,694
Restricted bank deposits	6,663	4,115
Time deposits with original maturity over three months	4,174	3,508
Cash and cash equivalents	57,730	61,652
<b>Total current assets</b>	<b>120,632</b>	<b>108,526</b>
<b>Current liabilities</b>		
Short-term borrowings and current portion of long-term borrowings	16,861	16,489
Accounts and bills payable	27,182	23,763
Accrued expenses and other payables	50,745	39,286
Current portion of long-term payables	225	271
Income tax payable	3,907	7,940
<b>Total current liabilities</b>	<b>98,920</b>	<b>87,749</b>
<b>Net current assets</b>	<b>21,712</b>	<b>20,777</b>
<b>Total assets less current liabilities</b>	<b>343,053</b>	<b>318,758</b>
<b>Non-current liabilities</b>		
Long-term borrowings, less current portion	42,989	45,443
Long-term payables, less current portion	2,198	2,346
Accrued reclamation obligations	1,804	1,724
Deferred tax liabilities	1,258	1,131
<b>Total non-current liabilities</b>	<b>48,249</b>	<b>50,644</b>
<b>Net assets</b>	<b>294,804</b>	<b>268,114</b>
<b>Equity</b>		
Share capital	19,890	19,890
Reserves	226,594	208,309
<b>Equity attributable to equity shareholders of the Company</b>	<b>246,484</b>	<b>228,199</b>
<b>Non-controlling interests</b>	<b>48,320</b>	<b>39,915</b>
<b>Total equity</b>	<b>294,804</b>	<b>268,114</b>

Legal Representative: Zhang Xiwu  
General Manager of Finance Department: Hao Jianxin

Chief Financial Officer: Zhang Kehui

Prepared under IFRSs

**Consolidated statement of cash flows**  
**For the nine months ended 30 September 2012**

*Unit: RMB million (Unaudited)*

	<b>For the nine months ended 30 September 2012</b>	For the nine months ended 30 September 2011 (restated)
<b>Operating activities</b>		
Cash generated from operations	70,285	84,484
Interest received	674	688
Interest paid	(2,395)	(2,237)
Income tax paid	(12,441)	(11,297)
<b>Net cash generated from operating activities</b>	<b>56,123</b>	<b>71,638</b>
<b>Investing activities</b>		
Capital expenditure	(29,541)	(36,788)
Lease prepayments	(519)	(247)
Proceeds from disposal of property, plant and equipment	108	24
Payment for the 2011 Acquisitions and 2012 Acquisitions	(4,358)	(8,702)
Acquisition of subsidiaries	(414)	–
Capital injection in associates	(298)	(60)
Purchase of other long-term equity investments	(115)	–
Dividend received from associates	114	130
Proceeds generated from trading debt securities	73	–
Increase in net restricted bank deposits	(2,549)	(4,036)
Increase in time deposits with original maturity over three months	(6,071)	(5,745)
Maturity of time deposits with original maturity over three months	5,406	2,777
Repayment of entrusted loan from a third party	–	3,000
<b>Net cash used in investing activities</b>	<b>(38,164)</b>	<b>(49,647)</b>
<b>Financing activities</b>		
Proceeds from borrowings	17,686	7,913
Repayments of borrowings	(20,694)	(17,042)
Contributions from non-controlling interests	3,162	1,550
Distributions to non-controlling interests	(4,119)	(2,415)
Dividend paid to equity shareholders of the Company	(17,902)	(15,054)
Contributions from then shareholders in relation to the 2011 Acquisitions and 2012 Acquisitions	150	1,265
Distributions to then shareholders in relation to the 2011 Acquisitions and 2012 Acquisitions	(162)	(105)
<b>Net cash used in financing activities</b>	<b>(21,879)</b>	<b>(23,888)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,920)</b>	<b>(1,897)</b>
Cash and cash equivalents as at the beginning of the period	61,652	77,302
Effect of foreign exchange rate changes	(2)	(6)
<b>Cash and cash equivalents as at the end of the period</b>	<b>57,730</b>	<b>75,399</b>

Legal Representative: Zhang Xiwu  
General Manager of Finance Department: Hao Jianxin

Chief Financial Officer: Zhang Kehui