

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 2014

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(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The board of directors of the Company (the “Board”) is pleased to announce the results of the Group for the three months ended 31 March 2014 prepared in accordance with the International Financial Reporting Standards (“IFRSs”).

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 the contents of the quarterly report are true, accurate and complete and do not contain any false representations, misleading statements or material omissions, and shall jointly and severally accept legal liability.
- 1.2 This report was adopted at the 44th meeting of the second session of the Board of the Company. Eight out of eight 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 2.3 of this report 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 (the "PRC") and relevant regulations and interpretations ("Accounting Standards for Business Enterprises") and IFRSs.
- 1.4 In December 2013, the Company acquired 100% equity interest in Shenhua Baotou Coal Chemical Co., Ltd. and 100% equity interest in Shenhua Guohua Jiujiang Power Co., Ltd. through business combination under common control. These acquired companies have been consolidated into the financial statements and operational data of the Company for 2014, and the financial statements and operational data for the previous periods have been restated.
- 1.5 Dr. Zhang Yuzhuo, Vice 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, accuracy 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. COMPANY PROFILE

2.1 Major financial indicators prepared in accordance with IFRSs

	For the three months ended 31 March 2014	For the three months ended 31 March 2013 (restated)	Percentage change (%)
Basic earnings per share (RMB/share)	0.557	0.607	(8.2)
Net cash from operating activities per share (RMB/share)	0.30	0.70	(56.8)
Revenue (RMB million)	60,929	60,994	(0.1)
Profit for the period (RMB million)	13,396	14,447	(7.3)
Profit attributable to equity holders of the Company (RMB million)	11,079	12,072	(8.2)
Net cash from operating activities (RMB million)	6,035	13,963	(56.8)
	As at 31 March 2014	As at 31 December 2013	Percentage change (%)
Total assets (RMB million)	534,524	513,298	4.1
Total liabilities (RMB million)	186,170	178,656	4.2
Total equity (RMB million)	348,354	334,642	4.1
Equity attributable to equity holders of the Company (RMB million)	288,209	276,903	4.1
Shareholders' equity per share (RMB/share)	14.49	13.92	4.1

2.2 Major operating data

Operational indicators	Unit	For the three months ended 31 March 2014	For the three months ended 31 March 2013 (restated)	Year-on-year increase/ decrease (%)
(I) Coal				
1. Commercial coal production	million tonnes	79.9	79.9	–
2. Coal sales	million tonnes	109.5	111.5	(1.8)
Including: Export	million tonnes	0.6	0.7	(14.3)
Import	million tonnes	1.1	3.4	(67.6)
(II) Power generation				
1. Gross power generation	billion kwh	51.56	50.43	2.2
2. Total power output dispatch	billion kwh	48.04	47.03	2.1
(III) Coal chemical				
1. Sales volume of polyethylene	kilo tonnes	83.4	79.1	5.4
2. Sales volume of polypropylene	kilo tonnes	86.3	81.4	6.0
(IV) Transportation				
1. Turnover of self-owned railway transportation	billion tonne km	50.1	50.2	(0.2)
2. Seaborne coal	million tonnes	53.3	47.5	12.2
Including: Seaborne coal at Huanghua Port	million tonnes	28.9	26.3	9.9
Seaborne coal at Shenhua Tianjin Coal Dock	million tonnes	7.8	7.3	6.8
3. Shipment volume	million tonnes	23.3	18.4	26.6
4. Shipment turnover	billion tonne nautical miles	20.0	17.9	11.7

2.3 Major differences of financial statements prepared under different accounting standards

Unit: RMB million

Items	Net profit attributable to equity holders of the Company		Net assets attributable to equity holders of the Company	
	For the three months ended	For the three months ended	As at	As at
	31 March 2014	31 March 2013	31 March 2014	31 December 2013
		(restated)		
Under the Accounting Standards for Business Enterprises	10,373	11,513	283,783	272,362
Adjustment:				
Adjustments for simple production maintenance, production safety and other related expenditures	706	559	4,426	4,541
Under IFRSs	<u>11,079</u>	<u>12,072</u>	<u>288,209</u>	<u>276,903</u>

Note: Pursuant to the relevant regulations of the related government authorities in the PRC, provisions for simple production maintenance, production safety and other related expenditures are accrued by the relevant entities in profit or loss for the current period and separately recorded as a specific reserve in shareholders' equity. On utilization of the specific reserve as fixed assets within the stipulated scope, the specific reserve is reduced according to the cost of formation of fixed assets, accumulated depreciation of the same amount is recognized, and no provision for depreciation of the relevant assets will be made in subsequent periods. Under IFRSs, these expenses are recognized in profit or loss as and when incurred. Relevant capital expenditure is recognized as property, plant and equipment and depreciated according to the relevant depreciation method. The effect on deferred tax arising from such difference is also reflected.

2.4 Total number of shareholders and shareholding of top ten shareholders at the end of the reporting period

(1) As at the end of the reporting period, there were a total of 306,622 registered shareholders of the Company, of which 304,077 were holders of A shares (including Shenhua Group Corporation Limited (“Shenhua Group Corporation”)) and 2,545 were registered holders of H shares.

(2) Shareholding of top ten shareholders

The number of shares held by holders of A shares in the Company is calculated by consolidating ordinary securities accounts and credit securities accounts of shareholders based on the shareholders' records provided by China Securities Depository and Clearing Corporation Limited. No statutory or publicly undertaken selling restrictions were attached to the issued shares of the Company.

Statements on the connected relationships of shareholders and whether they are parties acting in concert are as follows: China Pacific Life Insurance Co., Ltd. – Dividend – Individual Dividend, and China Pacific Life Insurance Co., Ltd. – Conventional – General Insurance Product are both investment products of China Pacific Life Insurance Co., Ltd. Other than the above, the Company is not aware of whether any connected relationship existing among the top ten shareholders, and whether they are parties acting in concert under the “Measures for the Administration of Acquisition of Listed Companies”.

Unit: number of shares

No.	Name of shareholder	Number of shares held at the end of the period	Percentage (%)	Number of shares pledged or frozen	Type of shares	Nature of shareholder
1	Shenhua Group Corporation Limited	14,521,846,560	73.01	Nil	RMB ordinary shares	State
2	HKSCC NOMINEES LIMITED	3,390,385,356	17.05	Unknown	Overseas listed foreign shares	Foreign legal person
3	Account No. 1 of National Council for Social Security Fund	180,000,000	0.90	Nil	RMB ordinary shares	State
4	Industrial & Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	31,217,142	0.16	Nil	RMB ordinary shares	Others
5	China Pacific Life Insurance Co., Ltd. – Dividend – Individual Dividend	21,007,206	0.11	Nil	RMB ordinary shares	Others
6	CSOP Asset Management Limited – CSOP FTSE China A50 ETF	19,170,367	0.10	Nil	RMB ordinary shares	Others
7	China Pacific Life Insurance Co., Ltd. – Conventional – General Insurance Product	18,885,656	0.09	Nil	RMB ordinary shares	Others
8	Shenzhen City Dragon No.1 Investment Co., Ltd.	18,800,000	0.09	Nil	RMB ordinary shares	Others
9	Yangjiang Xizhilang Pudding Manufacturing Co., Ltd.	16,164,042	0.08	Nil	RMB ordinary shares	Others
10	Bank of Communications – E Fund 50 Index Securities Investment Fund	15,758,283	0.08	Nil	RMB ordinary shares	Others

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

3. SIGNIFICANT EVENTS

3.1 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 2014, revenue of the Group under IFRSs was RMB60,929 million (for the three months ended 31 March 2013 (restated): RMB60,994 million), representing a year-on-year decrease of 0.1%. For the three months ended 31 March 2014, the Group's profit reached RMB13,396 million (for the three months ended 31 March 2013 (restated): RMB14,447 million), representing a year-on-year decrease of 7.3%. Profit for the period attributable to equity holders of the Company was RMB11,079 million (for the three months ended 31 March 2013 (restated): RMB12,072 million), representing a year-on-year decrease of 8.2%.

Changes in major items of the consolidated financial statements and explanations during the reporting period are set out below:

Unit: RMB million

No.	Consolidated statement of profit and loss and other comprehensive income	For the three months ended 31 March 2014	For the three months ended 31 March 2013 (restated)	Percentage change (%)	Major reasons for changes
1	Revenue	60,929	60,994	(0.1)	Decreases in coal selling prices and sales volume; and increases in trading volume and coal chemical sales volume
2	Cost of sales	(41,888)	(41,031)	2.1	Increases in trading volume and cost of coal production
3	Finance costs	<u>(893)</u>	<u>(609)</u>	<u>46.6</u>	Impact on foreign exchange gains and losses arising from the Company's borrowings denominated in Japanese Yen and the fair value of Japanese Yen swap instruments, as a result of Japanese Yen's appreciation in the current period vs. depreciation in the same period last year

Unit: RMB million

No.	Consolidated statement of financial position	As at 31 March 2014	As at 31 December 2013	Percentage change (%)	Major reasons for changes
1	Other non-current assets	31,681	28,148	12.6	Increase in long-term loans granted by Shenhua Finance Company
2	Inventories	20,665	17,641	17.1	Increases in coal inventory and spare parts
3	Accounts and bills receivable	34,899	27,221	28.2	Increases in receivables from coal sales and bank acceptance bills receivable from coal, power and railway businesses
4	Short-term debentures	19,969	9,982	100.1	Issuance of super short-term debentures in the current period
5	Accounts and bills payable	33,918	37,800	(10.3)	Decreases in payables from purchase of coal and bank acceptance bills payable
6	Accrued expenses and other payables	47,079	42,692	10.3	Increase in accrued expenses from coal business

Unit: RMB million

No.	Consolidated statement of cash flows	For the three months ended 31 March 2014	For the three months ended 31 March 2013 (restated)	Percentage change (%)	Major reasons for changes
1	Net cash from operating activities	6,035	13,963	(56.8)	Increase in items of accounts receivable, and a decrease in cash outflow as a result of deposits in and loan granted by Shenhua Finance Company
	Net cash outflow from operating activities of Shenhua Finance Company	(1,547)	(2,519)	(38.6)	
	Net cash from operating activities excluding Shenhua Finance Company	7,582	16,482	(54.0)	
2	Net cash used in investing activities	(5,020)	(5,864)	(14.4)	Less cash paid for acquisition of fixed assets
3	Net cash inflow (outflow) from financing activities	<u>6,212</u>	<u>(1,984)</u>	<u>(413.1)</u>	Increase in net cash received from borrowings and issuance of debentures

3.2 Analysis on key operational indicators of the coal segment

(1) Coal sales volume and price:

	For the three months ended 31 March 2014			For the three months ended 31 March 2013 (restated)			Changes	
	Percentage			Percentage			Change in sales volume	Change in price
	Sales volume	to total sales volume	Price	Sales volume	to total sales volume	Price		
	<i>million tonnes</i>	%	<i>RMB RMB/tonne</i>	<i>million tonnes</i>	%	<i>RMB/tonne</i>	%	%
	I. Domestic sales	106.0	96.8	362.7	108.9	97.7	404.7	(2.7)
(I) Self-produced coal and purchased coal	97.2	88.8	359.8	93.0	83.5	384.6	4.5	(6.4)
1. Direct arrival	44.5	40.6	267.3	46.2	41.4	284.3	(3.7)	(6.0)
2. Seaborne	52.7	48.2	437.7	46.8	42.1	483.8	12.6	(9.5)
(II) Sales of domestic coal trading	7.7	7.0	388.4	12.5	11.2	521.3	(38.4)	(25.5)
(III) Sales of imported coal	1.1	1.0	442.3	3.4	3.0	522.4	(67.6)	(15.3)
II. Export sales	0.6	0.6	579.3	0.7	0.6	669.0	(14.3)	(13.4)
III. Overseas sales	2.9	2.6	600.6	1.9	1.7	702.0	52.6	(14.4)
(I) EMM Indonesia	0.5	0.5	126.8	0.5	0.4	64.4	-	96.9
(II) Entreport trade	2.4	2.1	696.3	1.4	1.3	934.7	71.4	(25.5)
Total sales volume/weighted average price	109.5	100.0	370.1	111.5	100.0	411.4	(1.8)	(10.0)

Note: 1. The above weighted average coal prices were exclusive of value-added tax and were affected by sales mode, product quality and the sales volume by various trading mode.

2. “Domestic coal trading” refers to the sales volume of business of the domestic purchase and sales of coal, except for the self-produced coal of the Group in the PRC and the coal purchased from third parties in the surrounding areas of the self-owned mines and railways of the Group which are shipped with the Group’s transportation system.

3. “Entreport trade” refers to a trading mode under which coal purchased internationally is directly resold to other countries or regions.

As at the end of the reporting period, the Company has basically entered into contracts for coal sales, including: (1) contracts based on fixed annual volume with sales volume accounting for approximately 78% of the Company’s coal sales target for 2014, subject to a quarterly pricing mechanism under which the quarterly prices are adjusted with reference to changes of the Bohai Bay Thermal Coal Price Index during the previous quarter; and (2) contracts not based on fixed annual volume, for spot sales at market prices.

Due to coal sourcing, price fluctuation, contract fulfillment rate and other factors, the above sales structure might significantly differ from that of actual sales. Investors are advised to pay close attention to the Company’s information disclosure to safeguard from investment risks.

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

	For the three months ended 31 March 2014	For the three months ended 31 March 2013 (restated)	Percentage change %
Unit production cost of self-produced coal	126.9	121.4	4.5
Raw materials, fuel and power	24.0	24.2	(0.8)
Personnel expenses	14.6	14.8	(1.4)
Repairs and maintenance	7.3	7.2	1.4
Depreciation and amortization	18.1	18.3	(1.1)
Others	62.9	56.9	10.5

For the three months ended 31 March 2014, the unit production cost of self-produced coal was RMB126.9/tonne (for the three months ended 31 March 2013 (restated): RMB121.4/tonne), representing a year-on-year increase of 4.5%. The increase was mainly attributable to a year-on-year increase of 10.5% in costs of “Others” resulted from an increases in mining engineering cost, stripping cost and compensation expenses for relocation.

“Others” in the unit production cost of self-produced coal comprises the following three parts: (1) 58% was from the cost directly related to production, including safety production cost, selecting and processing cost, and mining engineering cost, etc.; (2) 10% was from ancillary production cost; and (3) 32% was from compensation for land requisition and collapse, cost on environmental protection and fees levied by local governments, etc.

3.3 Analysis on key operational indicators of the power segment

For the three months ended 31 March 2014, the Company’s average power tariff of the power segment was RMB362.5/MWh (for the three months ended 31 March 2013 (restated): RMB366.1/MWh), representing a year-on-year decrease of 1.0%, with average cost of power output dispatch of RMB262.0/MWh (for the three months ended 31 March 2013 (restated): RMB280.9/MWh), representing a year-on-year decrease of 6.7%. The decrease was mainly attributable to the decrease in cost of fuels.

3.4 Overview of the industry

China's economy showed a slower growth in the first quarter of 2014, with gross domestic product (GDP) growing by 7.4% year-on-year.

During the first quarter, coal prices continued to trend down with an oversupply as a result of the depressed coal demand and the increasing volume of coal import. As at the end of March, the Bohai Bay Thermal Coal Price Index had dropped by 16.0% to RMB530/tonne from RMB631/tonne at the end of 2013. China produced 850 million tonnes of raw coal, representing a year-on-year decrease of 0.1%; and imported a net volume of 84 million tonnes of coal, representing a year-on-year increase of 5.1%. Coal-fired power generation from large-scale power plants in the PRC was 1,060.9 billion kwh, representing a year-on-year growth of 4.7%.

During the second quarter, a slack season for thermal coal consumption, the coal demand growth will be restricted by the implementation of energy restructuring policies of the PRC and the higher hydropower generation, among other factors. An essential balance among coal supply and demand is expected, given the short-term restrictive factors on the supply side including the accelerating governmental efforts in eliminating obsolete capacity, weakening price advantage of imported coal and overhaul of major coal transportation arteries.

In 2014, the supply in coal market is expected to continue to be slightly greater than demand, with potentially regional or occasional coal surplus or shortage.

Note: This section is for reference only and does not constitute any investment advice. The information in this section was derived from sources such as the National Bureau of Statistics, China Coal Market Network, China Coal Resource Network and China Electricity Council, etc.. The Company has used its best endeavors to ensure the accuracy and reliability of information in this section, but does not assume any liability or provide any form of guarantee for the accuracy, completeness or validity of all or part of its content. If there is any error or omission, the Company does not assume any liability.

3.5 Progress of significant events and the impact thereof as well as the analysis and explanations for the solutions

On 5 March 2014, Dr. Zhang Xiwu resigned as Chairman and executive director of the Company, and his office in the Strategy Committee and the Nomination Committee of the Board were also ceased. Dr. Zhang Yuzhuo, Vice Chairman, shall perform the duties of Chairman before a new Chairman is elected.

3.6 Commitments by the Company, shareholders and de facto controller and the performance thereof

The commitments made by Shenhua Group Corporation, the controlling shareholder, during or subsisting in the reporting period and the performance thereof are as follows:

Commitment Background	Type of Commitment	Committed Parties	Commitment	Time and Duration of Commitment	Any Time Limit for Commitment	Timely and Strict Performance of Commitment
Commitment in relation to initial public offer	Non-competition undertaking	Shenhua Group Corporation	The Company and Shenhua Group Corporation entered into a "Non-competition Agreement" on 24 May 2005. Pursuant to such agreement, Shenhua Group Corporation has committed not to compete with the Company in respect of the Company's principal businesses whether in or outside of the PRC, and granted the Company an option and pre-emptive right to acquire from Shenhua Group Corporation any potential business and assets in competition.	24 May 2005, long-term	To be regulated in accordance with the securities regulatory requirements	Yes. Entrusted by Shenhua Group Corporation, the Company has provided entrusted management services for Shenhua Group Corporation. During the reporting period, Shenhua Group Corporation carried out the restructuring and consolidation of its retained assets on an ongoing basis.

3.7 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

3.8 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

Beijing, 25 April 2014

As at the date of this announcement, the Board comprises the following: 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 PROFIT AND LOSS AND OTHER
COMPREHENSIVE INCOME
For the three months ended 31 March 2014**

Unit: RMB million (unaudited)
**For the three
months ended
31 March 2014** For the three
months ended
31 March 2013
(restated)

Revenue	60,929	60,994
Cost of sales	(41,888)	(41,031)
Gross profit	19,041	19,963
Selling, general and administrative expenses	(2,067)	(2,105)
Other gains and losses	(94)	97
Other income	142	58
Other expenses	(83)	(43)
Interest income	105	131
Finance costs	(893)	(609)
Share of results of associates	49	84
Profit before income tax	16,200	17,576
Income tax	(2,804)	(3,129)
Profit for the period	13,396	14,447
Other comprehensive income, net of tax, that may be subsequently reclassified to profit or loss		
Exchange differences	177	(36)
Total comprehensive income for the period	13,573	14,411
Profit for the period attributable to:		
Equity holders of the Company	11,079	12,072
Non-controlling interests	2,317	2,375
Total comprehensive income for the period attributable to:		
Equity holders of the Company	11,254	12,046
Non-controlling interests	2,319	2,365
Earnings per share (RMB)		
– Basic	0.557	0.607

Vice Chairman:
Zhang Yuzhuo

Chief Financial Officer:
Zhang Kehui

General Manager of
Financial Department:
Hao Jianxin

PREPARED UNDER IFRSs

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2014

Unit: RMB million (unaudited)
As at 31 **As at 31**
March 2014 **December 2013**

Non-current assets		
Property, plant and equipment	262,595	262,116
Construction in progress	75,936	76,065
Exploration and evaluation expenditure	2,299	2,251
Intangible assets	1,396	1,446
Interest in associates	4,982	4,938
Available-for-sale investments	960	960
Other non-current assets	31,681	28,148
Lease prepayments	14,204	14,243
Deferred tax assets	2,215	1,723
	<hr/>	<hr/>
Total non-current assets	396,268	391,890
Current assets		
Inventories	20,665	17,641
Accounts and bills receivable	34,899	27,221
Prepaid expenses and other current assets	29,657	30,274
Restricted bank deposits	6,381	6,648
Time deposits with original maturity over three months	1,087	1,292
Cash and cash equivalents	45,567	38,332
	<hr/>	<hr/>
Total current assets	138,256	121,408
Current liabilities		
Borrowings	37,953	38,503
Short-term debentures	19,969	9,982
Accounts and bills payable	33,918	37,800
Accrued expenses and other payables	47,079	42,692
Current portion of long-term payables	428	311
Income tax payable	2,431	2,221
	<hr/>	<hr/>
Total current liabilities	141,778	131,509
Net current assets	(3,522)	(10,101)
Total assets less current liabilities	392,746	381,789
Non-current liabilities		
Borrowings	34,416	37,084
Medium-term notes	4,960	4,958
Long-term payables	1,684	1,867
Accrued reclamation obligations	2,011	1,973
Deferred tax liabilities	1,321	1,265
	<hr/>	<hr/>
Total non-current liabilities	44,392	47,147
Net assets	348,354	334,642
	<hr/>	<hr/>
Equity		
Share capital	19,890	19,890
Reserves	268,319	257,013
	<hr/>	<hr/>
Equity attributable to equity holders of the Company	288,209	276,903
Non-controlling interests	60,145	57,739
	<hr/>	<hr/>
Total equity	348,354	334,642
	<hr/>	<hr/>

Vice Chairman:
Zhang Yuzhuo

Chief Financial Officer:
Zhang Kehui

General Manager of
Financial Department:
Hao Jianxin

PREPARED UNDER IFRSs

CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended 31 March 2014

Unit: RMB million (unaudited)
For the three months ended 31 March 2014
RMB million

For the three months ended 31 March 2013
RMB million (restated)

Operating activities

Cash generated from operations	8,688	17,648
Income taxes paid	(2,653)	(3,685)

Net cash from operating activities

6,035 13,963

Investing activities

Acquisition of property, plant and equipment, intangible assets, exploration and evaluation assets, additions to construction in progress and other non-current assets	(5,723)	(7,974)
Increase in lease prepayments	(34)	(8)
Proceeds from disposal of property, plant and equipment, intangible assets and lease prepayments	145	190
Proceeds from disposal of an associate	-	229
Investments in associates	-	(185)
Dividend received from associates	1	188
Interest received	119	129
Net increase in restricted bank deposits	267	(32)
Increase in time deposits with original maturity over three months	(1)	(18)
Withdrawal of time deposits with original maturity over three months	206	1,617

Net cash used in investing activities

(5,020) (5,864)

Financing activities

Interest paid	(648)	(811)
Proceeds from borrowings	6,236	5,921
Repayments of borrowings	(9,406)	(6,831)
Proceeds from issuance of short-term debentures	9,975	-
Contributions from non-controlling shareholders	93	403
Distributions to non-controlling shareholders	(93)	(666)
Return of consideration for acquisition of subsidiaries from Shenhua Group	55	-

Net cash inflow (outflow) from financing activities

6,212 (1,984)

Net decrease in cash and cash equivalents

Cash and cash equivalents as at the beginning of the period	38,332	51,637
Effect of foreign exchange rate changes	8	-

Cash and cash equivalents as at the end of the period

45,567 57,752

Vice Chairman:
Zhang Yuzhuo

Chief Financial Officer:
Zhang Kehui

General Manager of
Financial Department:
Hao Jianxin