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兗州煤業股份有限公司

**YANZHOU COAL MINING COMPANY LIMITED**

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

**(Stock Code: 1171)**

**PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2015**

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

**I. Estimated Results for this Period**

1. Period of estimated results

1 January 2015 to 31 December 2015

2. Estimated results

(1) Compared to the amount disclosed for the same period of last year

Based on the preliminary calculation made by the finance department in accordance with the Chinese accounting standards, Yanzhou Coal Mining Company Limited (the "**Company**") expects that the net profit attributable to shareholders of the Company in 2015 will decrease by approximately 65% compared to the same period of last year.

(2) Compared to the amount for the same period of last year after retroactive adjustments

The Company acquired 100% equity interest in Yankuang Donghua Heavy Industry Limited in July 2015 (the "**Acquisition**"). For details of which, please refer to the connected transaction announcement published by the Company on 27 July 2015. In accordance with the Chinese accounting standards, the Acquisition constituted business

combination under common control. Thus retroactive adjustments were made to the opening balance of the consolidated financial statements and relevant items of the compared financial statements for 2015. The Company expects that the net profit attributable to shareholders of the Company in 2015 will decrease by approximately 64% compared to the same period of last year after such retroactive adjustments.

3. The above-mentioned estimated profit decrease has not been audited by certified public accountants.

## **II. Results for the Same Period of Last Year (Calculated in accordance with the Chinese accounting standards)**

1. Net profit attributable to shareholders of the Company: RMB2.2842 billion
2. Earnings per share: RMB0.46

## **III. Main Reasons for the Estimated Profit Decrease for the Period (Calculated in accordance with the Chinese accounting standards)**

1. Due to the slowdown in growth of macro-economy, the over capacity of general coal industry and other factors, the Company's sale price of commercial coal reduced as compared with the same period of the preceding year, resulting in a year-on-year decrease in net profit attributable to shareholders of the Company of approximately RMB2.73 billion.
2. Due to the downturn of the coal market, the Company pre-drew the assets depreciation reserves, resulting in a decrease in net profit attributable to shareholders of the Company of approximately RMB220 million as compared with the same period of the preceding year.
3. By implementing management measures of reducing expenditure and consumption including the "*three reduction and three promotion*", the Company reduced the costs of sale of commercial coal as compared with the same period of the preceding year, resulting in a year-on-year increase in net profit attributable to shareholders of the Company of approximately RMB970 million.
4. Through implementing measures such as repurchasing the bonds denominated in US dollars and selling the financial assets available for sale, the Company saw a year-on-year increase in net profit attributable to shareholders of the Company of approximately RMB230 million.
5. The Company recorded revenue from long-term equity investments, resulting in a year-on-year increase in net profit attributable to shareholders of the Company of approximately RMB310 million.

Confronted with in-depth adjustments of macro-economy and coal industry, the Company will proactively response to market changes, strengthen its cost control in all aspects, expand its marketing and value-added channels, motivate its potential of value creation and accelerate the pace of industrial transition and upgrade to achieve a stable development of the Company.

#### **IV. Other Matters**

The above-mentioned estimated data only represents preliminary calculations. Detailed and exact financial data shall be subject to the audited 2015 annual report to be issued by the Company. Investors are advised to be aware of the investment risks.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Yanzhou Coal Mining Company Limited**  
*Chairman of the Board*  
**Li Xiyong**

Zoucheng, Shandong Province, the PRC  
29 January 2016

*As at the date of this announcement, the directors of the Company are Mr. Li Xiyong, Mr. Yin Mingde, Mr. Wu Yuxiang, Mr. Zhang Baocai, Mr. Wu Xiangqian and Mr. Jiang Qingquan, and the independent non-executive directors of the Company are Mr. Wang Lijie, Mr. Jia Shaohua, Mr. Wang Xiaojun and Mr. Xue Youzhi.*