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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)**

**POSITIVE PROFIT ALERT FOR THE YEAR OF 2016**

This announcement is made pursuant to 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 2016 to 31 December 2016

2. Estimated results

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 will increase by approximately 120%-140% compared to the same period of last year.

3. The above-mentioned estimated profit growth 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: RMB859.5 million

2. Earnings per share: RMB0.17

### **III. Main Reasons for the Estimated Profit Growth for the Period**

1. Affected by the national structural reform on supply side, the reduction in production capacity of the coal industry and other policy factors, the market price of coal rose sharply which caused a substantial increase in the price of the Company's saleable coal and significantly improved the profitability of the Company since the third quarter of 2016.
2. Facing the fluctuation of the coal market, the Company seized the country's policies of moderately increasing in investment of advanced production capacity and securing the stable supply of coal ("**Policies**"). The Company actively increased its productivity to the extent that is permissible under the Policies. In the meanwhile, the Company strengthened its internal measures to reduce costs and implemented the strategies to optimize the varieties of coal in order to achieve the profitability and efficiency.

### **IV. Other Matters**

The above-mentioned estimated data only represents preliminary calculations. Detailed and exact financial data shall be subject to the audited 2016 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**  
**Li Xiyong**  
*Chairman of the Board*

Zoucheng, Shandong Province, the PRC  
25 January 2017

*As at the date of this announcement, the directors of the Company are Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Wu Yuxiang, Mr. Zhao Qingchun, Mr. Guo Dechun and Mr. Guo Jun, and the independent nonexecutive directors of the Company are Mr. Wang Lijie, Mr. Jia Shaohua, Mr. Wang Xiaojun and Mr. Qi Anbang.*