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CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

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

(Stock Code: 01898)

FIRST QUARTERLY REPORT 2015

Pursuant to the regulations and rules of China Securities Regulatory Commission and Shanghai Stock Exchange (the “SSE”), China Coal Energy Company Limited (the “Company” or “China Coal Energy”, together with its subsidiaries, collectively the “Group”) is required to publish reports on a quarterly basis.

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This announcement is a summary of the 2015 first quarterly financial report of the Company for the three months ended 31 March 2015. The full text of the quarterly financial report will be available on the website of The Stock Exchange of Hong Kong Limited (the “HKSE”) on 24 April 2015. The full text of the quarterly financial report is in Chinese only.

I. IMPORTANT NOTICE

- 1.1 The board of directors and the supervisory committee of the Company together with the directors, supervisors and the senior management thereof guarantee that the content of this quarterly report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility for the content of this report.
- 1.2 The second meeting in 2015 of the second session of the board of directors of the Company was held on 24 April 2015. All directors of the Company attended the meeting in person. The Resolution on the First Quarterly Report 2015 of the Company was considered and approved at the meeting, with 8 affirmative votes, 0 dissenting vote and 0 abstaining vote, to publish the first quarterly report 2015 of the Company at home and abroad.

1.3 Wang An (the person-in-charge of the Company), Weng Qing'an (the person-in-charge of accounting affairs) and Chai Qiaolin (the person responsible for the accounting department, i.e. head of the accounting department) guarantee that the financial statements set out in this quarterly report are true, accurate and complete.

1.4 The first quarterly report of the Company were unaudited.

II. MAJOR FINANCIAL DATA OF THE COMPANY AND CHANGES OF SHAREHOLDERS

2.1 Major financial data

Unit: RMB'000

	As at the end of the reporting period	As at the end of the previous year	Increase/ decrease at the end of the reporting period as compared to the end of the previous year (%)
Total assets	244,278,555	242,706,302	0.65
Net asset attributable to the shareholders of the listed company	86,737,680	86,717,506	0.02
	From the beginning of the year to the end of the reporting period	From the beginning of the previous year to the end of the corresponding period of the previous year	Increase/ decrease compared to the corresponding period of the previous year (%)
Net cash flows generated from operating activities	-4,207,910	-4,086,601	N/A

	From the beginning of the year to the end of the reporting period	From the beginning of the previous year to the end of the corresponding period of the previous year	Increase/ decrease compared to the corresponding period of the previous year (%)
Operational revenue	13,075,000	16,858,658	-22.44
Net profit attributable to shareholders of the listed company	15,139	538,160	-97.19
Net profit attributable to shareholders of the listed company net of non-recurring gains or losses	-73,751	508,266	-114.51
Weighted average return on net assets (%)	0.02	0.61	Decreased by 0.59 percentage point
Basic earnings per share (RMB per share)	0.001	0.04	-97.50
Diluted earnings per share (RMB per share)	0.001	0.04	-97.50

Non-recurring gains or losses and relevant amounts

√ Applicable □ Not applicable

Unit: RMB'000

Item	Amount for the current period	Explanation
Gains or losses from disposal of non-current assets	-998	–
Government grants included in gains or losses for the current period, excluding those closely related to the Company's ordinary business and granted on an on-going basis in fixed amount or volume according to certain standards and adhering to certain principles under national policies	10,896	–
Gains arising from the enterprise's investment cost in acquisition of subsidiaries, associates and joint ventures being less than its entitled share of the fair value of the identifiable net assets of the investees on acquisition	62,028	–
Gains or losses from debt restructuring	3,528	–
Gains or losses from external entrusted loans	32,545	–
Other non-operating income and expenses apart from the foregoing	12,672	–
Impact on minority shareholders' interests (after tax)	-2,824	–
Effect of income tax	-28,957	–
Total	88,890	–

2.2 Major production and operational data

Currency: RMB

Item	Unit	January to March, 2015	January to March, 2014	Percentage change %
I. Coal operations				
1. Production volume of commercial coal	10,000 tonnes	2,053	2,999	-31.5
Of which: Thermal coal	10,000 tonnes	1,851	2,848	-35.0
Coking coal	10,000 tonnes	202	151	33.8
2. Sales volume of commercial coal	10,000 tonnes	2,422	3,332	-27.3
Of which: Sales volume of self-produced coal	10,000 tonnes	1,665	2,670	-37.6
II. Coal chemical operations				
(I) Olefin				
1. Polyethylene production	10,000 tonnes	8.7	☆	-
Sales volume		9.1	☆	-
2. Polypropylene production	10,000 tonnes	8.3	☆	-
Sales volume		7.0	☆	-
(II) Urea				
1. Production	10,000 tonnes	47.3	12.2	287.7
2. Sales volume	10,000 tonnes	49.0	9.3	426.9
(III) Methanol				
1. Production	10,000 tonnes	17.8	11.2	58.9
2. Sales volume	10,000 tonnes	17.2	11.2	53.6
(IV) Coke				
1. Production	10,000 tonnes	48.5	48.2	0.6
2. Sales volume	10,000 tonnes	51.9	61.6	-15.7
Of which: Sales volume of self-produced coke	10,000 tonnes	47.6	44.6	6.7
III. Coal mining equipment operations				
1. Output value of coal mining equipment	RMB100 million	11.1	14.8	-25.0

Notes: 1. ☆: N/A

2. 1.38 million tonnes attributable to intra-group transactions were eliminated from the total commercial coal production volume during the reporting period, while 1.94 million tonnes were eliminated for January to March 2014.
3. As the Shaanxi Hecaogou Coal Mine has not been consolidated into the Company, the commercial coal production volume was calculated based on management statistics.
4. From January to March 2014, the sales volume of urea included 45,000 tonnes of urea sold during the trial production period, while the sales volume of methanol included 75,000 tonnes of methanol sold during the trial production period.

2.3 Major differences arising from the adoption of different accounting standards in preparing the financial statements

Unit: RMB'000

	Net profit attributable to equity holders of the parent company		Net assets attributable to equity holders of the parent company	
	January to March, 2015	January to March, 2014	As at 31 March 2015	As at 31 December 2014
According to PRC GAAP	15,138	538,160	86,737,680	86,717,506
Items of difference and amount:				
(a) Adjustment to special reserves and relevant deferred tax	-32,841	74,707	353,718	386,016
(b) Adjustment to floating of non-tradable shares under equity split	-	-	-155,259	-155,259
(c) Adjustment to government grants	927	927	-43,593	-44,520
According to IFRS	-16,776	613,794	86,892,546	86,903,743

Explanations on major reconciliations:

- (a) Adjustment to special reserves and relevant deferred tax: special reserves comprise maintenance fee, safety fund, coal mine transformation fund, mining environmental restoration security deposit and sustainable development reserve. Under PRC GAAP, the Group should make provisions for the special reserves which will be accounted as the production cost and contributions made to the special reserves of equity attributable to shareholders. Non-capital expenditure incurred should be directly offset against special reserves upon occurrence, while capital expenditure incurred should be recorded as fixed assets upon completion, and offset against special reserves based on the cost of the fixed assets with accumulated depreciation fully recognised. After that, no subsequent provisions for depreciation would be made to the relevant fixed assets. Under IFRS, provisions made for the special reserves should be recorded as retained earnings provision while the relevant expenditures are recognised upon occurrence and the special reserves are accordingly transferred to retained earnings.
- (b) Under PRC GAAP, the consideration paid by holders of non-tradable shares to holders of tradable shares in accordance with the reform proposal of equity split should be recorded as long-term equity investments in the balance sheet. Under IFRS, such consideration shall be recorded as interests of minority shareholders directly deducted from the equity attributable to shareholders.
- (c) Under PRC GAAP, subsidies considered as capital investment by the government should be recorded in “capital reserve”. Under IFRS, the subsidies mentioned above shall be treated as government grants.

2.4 Total number of shareholders, top 10 shareholders and top 10 shareholders holding tradable shares (or shareholders not subject to trading moratorium) as at the end of the reporting period

Unit: Share

Total number of shareholders				253,326		
Particulars of top 10 shareholders						
Name of Shareholders (full name)	Number of shares held as at the end of the reporting period	Shareholding percentage (%)	Number of shares subject to trading moratorium	Shares pledged or frozen		Nature of shareholders
				Status	Number	
China National Coal Group Corporation (中國中煤能源集團有限公司)	7,605,207,608	57.36	-	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	3,947,704,377	29.77	-	Unknown	-	Foreign legal person
China Coal Hong Kong Limited (中煤能源香港有限公司)	132,351,000	1.00	-	Nil	0	Foreign legal person
Funde Sino Life Insurance Co., Ltd. – Universal H (富德生命人壽保險股份有限公司 – 萬能H)	119,523,827	0.90	-	Unknown	-	Domestic non-state-owned legal person
Xinjiang Zhongyou Chemical Group Company Limited (新疆中油化工集團有限公司)	17,917,269	0.14	-	Unknown	-	Unknown
Jiangmenshi Huirong Trade Co., Ltd. (江門市匯融貿易有限公司)	11,850,293	0.09	-	Unknown	-	Unknown
Industrial and Commercial Bank of China Ltd. – Penghua CSI A Share Resource Industries Index Classification Fund (中國工商銀行股份有限公司 – 鵬華中證A股資源產業指數分級證券投資基金)	10,521,742	0.08	-	Unknown	-	Unknown
Bank of China Limited – Jiashi Hushen 300 Trading Open-end Index Securities Investment Fund (中國銀行股份有限公司 – 嘉實滬深300交易型開放式指數證券投資基金)	7,765,735	0.06	-	Pledged	45,500	Unknown
China Construction Bank – Fortune SG Income Growth Hybrid Securities Investment Fund (中國建設銀行 – 華寶興業收益增長混合型證券投資基金)	5,928,978	0.04	-	Unknown	-	Unknown
Industrial and Commercial Bank of China Ltd. – Huatai Borui Hushen 300 Open-end Index Securities Investment Fund (中國工商銀行股份有限公司 – 華泰柏瑞滬深300交易型開放式指數證券投資基金)	5,549,729	0.04	-	Unknown	-	Unknown

Particulars of top 10 shareholders not subject to trading moratorium			
Name of shareholders	Number of listed shares not subject to trading moratorium	Type and number of shares	
		Type	Number
China National Coal Group Corporation (中國中煤能源集團有限公司)	7,605,207,608	Ordinary shares denominated in RMB	7,605,207,608
HKSCC NOMINEES LIMITED	3,947,704,377	Overseas listed foreign shares	3,947,704,377
China Coal Hong Kong Limited (中煤能源香港有限公司)	132,351,000	Overseas listed foreign shares	132,351,000
Funde Sino Life Insurance Co., Ltd.– Universal H (富德生命人壽保險股份有限公司–萬能H)	119,523,827	Ordinary shares denominated in RMB	119,523,827
Xinjiang Zhongyou Chemical Group Company Limited (新疆中油化工集團有限公司)	17,917,269	Ordinary shares denominated in RMB	17,917,269
Jiangmenshi Huirong Trade Co., Ltd. (江門市匯融貿易有限公司)	11,850,293	Ordinary shares denominated in RMB	11,850,293
Industrial and Commercial Bank of China Ltd. – Penghua CSI A Share Resource Industries Index Classification Fund (中國工商銀行股份有限公司–鵬華中證A股資源產業指數分級證券投資基金)	10,521,742	Ordinary shares denominated in RMB	10,521,742
Bank of China Limited – Jiashi Hushen 300 Trading Open-end Index Securities Investment Fund (中國銀行股份有限公司–嘉實滬深300交易型開放式指數證券投資基金)	7,765,735	Ordinary shares denominated in RMB	7,765,735
China Construction Bank – Fortune SG Income Growth Hybrid Securities Investment Fund (中國建設銀行–華寶興業收益增長混合型證券投資基金)	5,928,978	Ordinary shares denominated in RMB	5,928,978

Industrial and Commercial Bank of China Ltd. – Huatai Borui Hushen 300 Open-end Index Securities Investment Fund (中國工商銀行股份有限公司 – 華泰柏瑞滬深300交易型開放式指數證券投資基金)	5,549,729	Ordinary shares denominated in RMB	5,549,729
Explanations on affiliated relationship or parties acting in concert among the abovementioned shareholders	China Coal Hong Kong Limited (中煤能源香港有限公司) is a wholly-owned subsidiary of China National Coal Group Corporation (the “China Coal Group”), the controlling shareholder of the Company. It is not certain if any of the other shareholders are affiliated or acting in concert with each other.		
Explanations on preference shareholders with voting rights restored and the number of shares held	The Company does not have preference shares and has no preference shareholders with voting rights restored.		

- Notes:* 1. The above information was prepared in accordance with the register of shareholders of the Company as at 31 March 2015 provided by the China Securities Depository and Clearing Corporation Limited Shanghai Branch and Computershare Hong Kong Investor Services Limited.
2. The H shares held by HKSCC Nominees Limited are held on behalf of various customers.
3. Save as the Company’s A Shares held by Funde Sino Life Insurance Co., Ltd. (hereinafter referred to as “Sino Life”) as shown in the table above, according to the disclosure of interests published on the website of HKSE, Sino Life had long positions in 1,520,477,000 H shares of the Company as at 31 March 2015.

2.5 Total number of holders of preference shares, top 10 holders of preference shares and top 10 holders of preference shares (not subject to trading moratorium) as at the end of the reporting period

Applicable Not applicable

III. SIGNIFICANT EVENTS

3.1 Significant changes of the major accounting projects and financial indicators and the reasons thereof

Applicable Not applicable

3.1.1 Analysis on reasons for the major changes in items on the balance sheet

Unit: RMB'000

Item	31 March 2015	31 December 2014	Increase/ decrease (%)	Major reasons for the changes
Trade receivables	11,621,627	8,222,019	41.3	Mainly due to the extended settlement period as a result of delayed signing of annual sales contracts, leading to an increase in trade receivables.
Prepayment	1,925,002	1,409,224	36.6	Mainly due to the increase in freight prepayment and port fee, etc.
Other current assets	3,231,856	2,423,085	33.4	Mainly due to the increase in loans to subsidiaries of China Coal Group granted by China Coal Finance Co., Ltd.
Construction-in-progress	36,340,155	52,329,185	-30.6	Mainly due to the transfer of Shaanxi Yulin Methanol Acetic Acid Series Deep Processing and Comprehensive Utilisation Project to fixed assets in January 2015, leading to a decrease in construction-in-progress.
Interest payable	1,135,233	691,841	64.1	Mainly due to the increase in provision for payment of interest expenses for interest-bearing debts.

3.1.2 Analysis on reasons for the major changes in items on the income statement

Unit: RMB'000

Items	January to March, 2015	January to March, 2014	Increase/decrease (%)	Major reasons for the changes
Selling costs	2,010,875	3,211,203	-37.4	Mainly due to the year-on-year decrease in the sales volume of coal bearing freight and port fee.
Finance costs	733,409	387,009	89.5	Mainly due to the transfer of certain projects under construction to fixed assets and the increase in expensed interest expenses arising from the increase in interest bearing debts during the second half of 2014.
Loss from impairment of assets	12,741	-540	-	Mainly due to increase in provision for loan impairment by China Coal Finance Co., Ltd. in compliance with regulatory requirements.
Investment gain	60,009	18,314	227.7	Mainly due to the increase in investment gain recognised in proportion to shareholding in shareholding companies.
Profit from operations	30,470	941,623	-96.8	Mainly due to the year-on-year decrease in the Company's sales volume and profit as affected by the market conditions during the reporting period, leading to a decrease in profit from operations.
Non-operating income	94,571	16,024	490.2	Mainly due to the recognition of the equity investment in Hecaogou Coal Mine by China Coal Shaanxi Yulin Energy & Chemical Company Limited during the reporting period, where the share of fair value of identifiable net assets entitled less investment cost was accounted for as non-operating income.

Items	January to March, 2015	January to March, 2014	Increase/ decrease (%)	Major reasons for the changes
Non-operating expenses	6,276	10,002	-37.3	Mainly due to the year-on-year decrease in loss on disposal of non-current assets.
Total profit	118,765	947,645	-87.5	Mainly due to the year-on-year decrease in the scale of sales and profit of the Company during the reporting period as affected by market conditions, leading to a decrease in total profit.
Income tax expenses	35,820	248,951	-85.6	Mainly due to the year-on-year decrease in the Company's pre-tax profit as affected by the market conditions, leading to a decrease in income tax expenses.
Net profit	82,945	698,694	-88.1	Mainly due to the year-on-year decrease in the scale of sales and profit of the Company as affected by market conditions during the reporting period, leading to a decrease in net profit.
Other comprehensive income (net of tax)	-12,495	4,504	-377.4	Mainly due to the change of conversion difference in foreign currency statements.
Total comprehensive income	70,450	703,198	-90.0	Mainly due to the combined effects of year-on-year decrease in the Company's net profit as affected by market conditions, as well as the change of conversion difference in foreign currency statements.

3.1.3 Analysis on reasons for major changes in items on the cash flow statement

Unit: RMB'000

Items	January to March, 2015	January to March, 2014	Major reasons for the changes
Net cash flows generated from operating activities	-4,207,910	-4,086,601	Mainly due to the year-on-year decrease in the Company's profit and the year-on-year increase in capital used for operating receivables and payables as affected by market conditions, leading to an increase in net cash outflow generated from operating activities
Net cash flows generated from investment activities	-3,060,588	-3,107,738	Mainly due to the year-on-year decrease in cash used for capital expenditures such as project construction and equity investment, and the increase in cash inflow of RMB2.730 billion as a result of the capital injection by the Company into China Coal Finance Co., Ltd., a company established and consolidated into the Company during the corresponding period last year, while no such activity occurred during the period. In addition, the recovery of entrusted loan of RMB300 million from Hecaogou Coal Mine during the period, and the year-on-year increase of RMB569 million in cash inflow as a result of changes in term deposits over three months have led to a decrease in cash outflow generated from investment activities.
Net cash flows generated from financing activities	2,887,645	5,003,570	Mainly due to the year-on-year increase in cash used for debt repayment and interest payment, and China Coal Group's investment of RMB270 million in China Coal Finance Co., Ltd., leading to an increase in cash inflow generated from financing activities during the corresponding period last year, while no such activity occurred during the period.

3.1.4 Changes in coal sales volume and selling price

Currency: RMB

		January to March, 2015		January to March, 2014		Increase/decrease in amount		Increase/decrease in percentage	
		Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (%)	Selling price (%)
I. Self-produced coal	Total	1,665	347	2,670	401	-1,005	-54	-37.6	-13.5
	(I) Thermal coal	1,532	333	2,525	384	-993	-51	-39.3	-13.3
	1. Domestic sale	1,524	332	2,512	383	-988	-51	-39.3	-13.3
	(1) Long-term contract	1,291	348	2,079	394	-788	-46	-37.9	-11.7
	(2) Spot trading	233	243	433	330	-200	-87	-46.2	-26.4
	2. Export	8	504	13	575	-5	-71	-38.5	-12.3
	(1) Long-term contract	☆	☆	☆	☆	-	-	-	-
	(2) Spot trading	8	504	13	575	-5	-71	-38.5	-12.3
	(II) Coking coal	133	516	145	699	-12	-183	-8.3	-26.2
	1. Domestic sale	133	516	145	699	-12	-183	-8.3	-26.2
	(1) Long-term contract	☆	☆	☆	☆	-	-	-	-
	(2) Spot trading	133	516	145	699	-12	-183	-8.3	-26.2
	2. Export	☆	☆	☆	☆	-	-	-	-
	II. Proprietary coal trading	Total	697	363	571	501	126	-138	22.1
(I) Domestic resale		661	358	440	497	221	-139	50.2	-28.0
(II) Import trading		35	412	130	506	-95	-94	-73.1	-18.6
(III) Self-operated exports*		1	1,741	1	2,142	-	-401	-	-18.7
III. Import and export agency*	Total	60	5	91	8	-31	-3	-34.1	-37.5
	(I) Import agency	3	5	30	12	-27	-7	-90.0	-58.3
	(II) Domestic agency	5	7	☆	☆	5	-	-	-
	(III) Export agency	52	5	61	6	-9	-1	-14.8	-16.7

Notes: ☆ : N/A.

* : Briquette export.

★ : Selling price refers to agency service fee.

3.1.5 Changes in unit cost of sales of self-produced commercial coal

Unit: RMB/tonne

Item	January to March, 2015	January to March, 2014	January to December, 2014	As compared to January to March, 2014		As compared to January to December, 2014	
				Increase/decrease in amount	Increase/decrease (%)	Increase/decrease in amount	Increase/decrease (%)
Material costs (excluding cost of external purchase of raw coal for washing purpose)	48.79	44.63	47.93	4.16	9.3	0.86	1.8
Cost of external purchase of raw coal for washing purpose	9.10	18.75	11.57	-9.65	-51.5	-2.47	-21.3
Labour costs	39.17	28.24	30.66	10.93	38.7	8.51	27.8
Depreciation and amortisation	44.80	32.90	36.91	11.90	36.2	7.89	21.4
Repair expenses	8.30	8.69	7.41	-0.39	-4.5	0.89	12.0
Coal sustainable development fund (reserve)	-	18.26	13.29	-18.26	-100.0	-13.29	-100.0
Outsourcing mining engineering fee	16.14	25.07	26.44	-8.93	-35.6	-10.30	-39.0
Other costs	27.75	26.37	21.36	1.38	5.2	6.39	29.9
Unit cost of sales of self-produced commercial coal	194.05	202.91	195.57	-8.86	-4.4	-1.52	-0.8

For the period from January to March of 2015, the Company's unit cost of sales of self-produced commercial coal decreased from RMB202.91/tonne for the same period of last year to RMB194.05/tonne, representing a decrease of RMB8.86/tonne or 4.4%, or a decrease of RMB1.52/tonne or 0.8% as compared to RMB195.57/tonne for the year of 2014.

Firstly, material costs increased by RMB4.16/tonne as compared to the corresponding period of 2014, mainly attributable to the year-on-year decrease in the production volume of self-produced commercial coal.

Secondly, cost of external purchase of raw coal for washing purpose decreased by RMB9.65/tonne as compared to the corresponding period of 2014, mainly attributable to year-on-year decrease in sales volume of external purchase of raw coal for washing purpose and the year-on-year fall in purchase price, leading to a year-on-year decrease in total cost of external purchase of raw coal for washing purpose.

Thirdly, labour costs increased by RMB10.93/tonne as compared to the corresponding period of 2014, mainly attributable to the increase in labour costs per tonne of coal as a result of the year-on-year decrease in the production volume of self-produced commercial coal.

Fourthly, depreciation and amortization increased by RMB11.90/tonne as compared to the corresponding period of 2014, mainly attributable to the combined effects of the year-on-year decrease in the production volume of self-produced commercial coal, as well as the transfer of certain projects under construction to fixed assets and the increase in purchase of equipment and facilities from the second half of 2014 onwards.

Fifthly, coal sustainable development fund (reserve) decreased by RMB18.26/tonne as compared to the corresponding period of 2014, mainly attributable to the termination of coal sustainable development fund by the Shanxi Province after the reform of coal resources ad valorem tax was launched on 1 December 2014.

Sixthly, outsourcing mining engineering fee decreased by RMB8.93/tonne as compared to the corresponding period of 2014, mainly attributable to the year-on-year decrease in outsourcing stripping volume and excavation footage.

3.1.6 Changes in sales volume and selling price of major chemical products

Currency: RMB

	January to March, 2015		January to March, 2014		Increase/decrease in amount		Increase/decrease (%)	
	Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (10,000 tonnes)	Selling price (RMB/tonne)	Sales volume (%)	Selling price (%)
(I) Olefin								
1. Polyethylene	9.1	7,814	☆	☆	9.1	-	-	-
2. Polypropylene	7.0	6,937	☆	☆	7.0	-	-	-
(II) Methanol*	17.2	1,320	3.7	2,320	13.5	-1,000	364.9	-43.1
(III) Urea	49.0	1,821	4.8	1,480	44.2	341	920.8	23.0
(IV) Coke								
1. Self-produced	47.6	824	44.6	1,034	3.0	-210	6.7	-20.3
2. Proprietary trading	4.3	940	16.7	1,194	-12.4	-254	-74.3	-21.3
3. Export agency*	☆	☆	0.3	12	-0.3	-	-100.0	-

★: Includes the sales volume of methanol produced by China Coal Heilongjiang Coal Chemical Engineering (Group) Company Limited, a subsidiary of China Coal Group, amounting to 4,000 tonnes during the reporting period, as compared to 10,000 tonnes for the corresponding period of 2014.

☆: N/A.

*: Selling price refers to agency service fee.

3.1.7 Unit cost of sales of major chemical products

For the period from January to March of 2015, the Company's unit cost of sales of methanol decreased from RMB1,764.9/tonne for the same period of last year to RMB1,390.9/tonne, representing a decrease of RMB374.0/tonne; the unit cost of sales of urea decreased from RMB1,344.6/tonne for the same period of last year to RMB1,117.4/tonne, representing a decrease of RMB227.2/tonne; the unit cost of sales of polyethylene was RMB4,028.4/tonne, while the unit cost of sales of polypropylene was RMB3,553.6/tonne; the unit cost of sales of self-produced coke decreased from RMB918.4/tonne for the same period of last year to RMB703.3/tonne, representing a decrease of RMB215.1/tonne.

3.2 Analysis and explanation on the progress of significant events and their impacts and solutions

Applicable Not applicable

3.3 Performance of undertakings given by the Company and shareholders with shareholdings over 5%

Applicable Not applicable

In May 2014, the Company received the Letter of Undertaking on Further Avoiding Horizontal Competition with China Coal Energy Company Limited from its controlling shareholder China Coal Group, in which China Coal Group stated expressly that: “Within 7 years from the date of the Letter of Undertaking on Further Avoiding Horizontal Competition with China Coal Energy Company Limited, China Coal Group will inject its equity interests in China Coal Import and Export Company, China Coal Group Shanxi Huayu Energy Co., Ltd. and China Coal Heilongjiang Coal Chemical Engineering (Group) Company Limited, which have horizontal competition with China Coal Energy, into China Coal Energy, subject to fulfilling the procedures for meetings of the board of directors or shareholders’ general meeting by China Coal Energy under applicable laws and regulations and the Articles of Association of the Company.” The matter above was disclosed after consideration at the 2014 fourth meeting of the second session of the board of directors held on 13 May 2014. China Coal Energy will follow up the fulfilment of the above undertaking with a high sense of responsibility to investors in accordance with the relevant regulatory requirements.

For details, please refer to the Announcement on Fulfilment of Undertaking of the Company and Controlling Shareholder and the Announcement on Undertaking of China National Coal Group Corporation on Further Avoiding Horizontal Competition with China Coal Energy Company Limited respectively published on 14 February and 13 May 2014 on the websites of SSE, HKSE and the Company.

3.4 Warning in respect of possible loss or any significant changes in aggregate net profit from beginning of the year until the end of the next reporting period as compared with that of the corresponding period of 2014 and the reasons thereof

Applicable Not applicable

The Company may record a relatively significant decrease in aggregate net profit for the first half of 2015 as compared with that of the corresponding period of last year due to the continued decline of coal prices as a result of the significant change in demand and supply in the domestic coal market in 2015.

3.5 Implementation of the cash dividend policy during the reporting period

On 20 March 2015, the board of directors of the Company recommended the payment of cash dividends of RMB319,787,400 to shareholders, representing 30% of the distributable profit of RMB1,065,958,000 for the year of 2014 as set out in the consolidated financial statements for 2014 prepared in accordance with IFRS, on the basis of the Company's entire issued share capital of 13,258,663,400 shares, representing a dividend of RMB0.024 per share (tax inclusive). The proposed dividend distribution is subject to consideration and approval by shareholders at the 2014 annual general meeting of the Company.

By order of the Board
China Coal Energy Company Limited
Wang An
Chairman of the Board, Executive Director

Beijing, the PRC
24 April 2015

As at the date of this announcement, the executive directors of the Company are Wang An and Yang Lieke; the non-executive directors of the Company are Li Yanjiang, Li Yanmeng and Peng Yi; and the independent non-executive directors of the Company are Zhang Jiaren, Zhao Pei and Ngai Wai Fung.

This English language version is provided for reference purposes only. In the event of any inconsistency between the English and the Chinese version, the Chinese version shall prevail.

* For identification purposes only