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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 ("PRC") with limited liability)
(Stock Code: 01171)

RESULTS REPORT FOR THE FIRST QUARTER OF 2017

IMPORTANT NOTICE

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance and the disclosure requirement under Rule 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). The board of directors (the "**Board**"), the supervisory committee, the directors, the supervisors, and the senior management of Yanzhou Coal Mining Company Limited ("**Yanzhou Coal**" or "**the Company**" or "**Company**") confirm that this report does not contain any misrepresentations, misleading statements or material omissions and jointly and severally accept all responsibilities for the authenticity, accuracy and completeness of the information contained in this report.

The report for the results of the first quarter of 2017 of the Company (the "**Report**") was considered and approved by the thirty-first meeting of the sixth session of the Board and all the 11 directors of the Board who were supposed to attend the meeting were present.

The financial statements in this Report have not been audited.

"Reporting Period" means the period from 1 January 2017 to 31 March 2017.

"The Group" means the Company and its subsidiaries.

The Chairman of the Board, Mr. Li Xiyong, the Chief Financial Officer, Mr. Zhao Qingchun and the head of the Accounting Management Department, Mr. Xu Jian, hereby declare the authenticity, accuracy and completeness of the financial statements in this Report.

Summary of the unaudited results of the Group for the first quarter ended 31 March 2017 is set out as follows:

- This Report is prepared in accordance with the relevant regulations on Disclosure of Information in Quarterly Reports for Listed Companies promulgated by the China Securities Regulatory Commission (the “CSRC”).

- All financial information contained in this Report is prepared in accordance with the relevant requirements and interpretations under the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the PRC. Shareholders of the Company (the “Shareholders”) and public investors are reminded of the different reporting standards adopted in this Report, the interim report and the annual report of the Company when trading in the shares of the Company.

- Unless otherwise specified, the currency used in this Report is Renminbi (“RMB”).

- For the first quarter of 2017, the operating income of the Group was RMB39.7460 billion, representing an increase of RMB27.9777 billion or 237.7% as compared with the corresponding period of last year. Net profit attributable to the Shareholders was RMB1.7486 billion, representing an increase of RMB1.5011 billion or 606.5% as compared with the corresponding period of last year.

- The content of the Report is consistent with the announcement published on the Shanghai Stock Exchange. This announcement is published simultaneously in the PRC and overseas.

§1 General Information of the Group

1.1 Major Accounting Data and Financial Indicators

Unit: RMB'000

	As at the end of the Reporting Period	As at the end of previous year	Increase/decrease at the end of the Reporting Period as compared with the end of previous year (%)
Total assets	151,109,046	145,622,403	3.77
Net assets attributable to the Shareholders	45,687,249	42,023,058	8.72
	From the beginning of the year to the end of the Reporting Period (January-March)	From the beginning of the year till the end of the reporting period of the year 2016 (January-March)	Increase/decrease for the Reporting Period as compared with the same period of previous year (%)
Net cash flows from operating activities	1,060,454	-296,898	-
	From the beginning of the year to the end of the Reporting Period (January-March)	From the beginning of the year till the end of the reporting period of the year 2016 (January-March)	Increase/decrease for the Reporting Period as compared with the same period of previous year (%)
Operating income	39,746,029	11,768,360	237.74
Net profit attributable to the Shareholders	1,748,567	247,499	606.49
Net profit attributable to the Shareholders after deducting extraordinary profits and losses	1,625,874	214,244	658.89
Weighted average return on net assets (%)	3.99	0.62	Increase by 3.37 percentage points
Basic earnings per share (RMB)	0.3560	0.0503	607.75
Diluted earnings per share (RMB)	0.3560	0.0503	607.75
Items of extraordinary profits and losses		Account for the Reporting Period (January-March)	
Gains and losses on disposals of non-current assets		472	
Government grants recognized as gains or loss of current period, excluding the government grants, which are closely related to		16,624	

the Company's normal business operations, in line with national policies and can be continuously enjoyed according to certain standard quota or quantities.	
Except effective hedging businesses that relate to the Company's ordinary operating operations, gain or loss from fair value changes on transactional financial assets and liabilities, and investment income from disposal of transactional financial assets, liabilities and available-for-sale financial assets	6,996
Other non-operating income and expenses excluding the abovementioned items	148,372
Effect of the equity of minority shareholders (after tax)	-3,010
Effect of income tax	-46,761
Total	122,693

1.2 Total number of Shareholders at the end of the Reporting Period, the top 10 Shareholders and the top 10 Shareholders holding tradable shares of the Company which are not subject to trading moratorium

Unit: share

Total number of Shareholders					59,266	
Shareholdings of the top 10 Shareholders						
Name of Shareholder	Number of shares held	Percentage holding of the total share capital (%)	Number of shares held subject to trading moratorium	Pledged or locked share		Nature of Shareholders
				Status of Shares	Number of Shares	
Yankuang Group	2,600,000,000	52.93	0	Pledged	1,300,000,000	State-owned legal person
HKSCC (Nominees) Limited	1,945,086,699	39.60	0	Unknown	0	Foreign legal person
China Securities Finance Corporation Limited	25,405,868	0.52	0	No	0	State-owned legal person
Central Huijin Assets Management Co., Ltd.	19,355,100	0.39	0	No	0	State-owned legal person
China Life Property & Casualty Insurance Company Limited-dividend distribution-individual dividend distribution-005L-FH002 Shanghai	13,083,621	0.27	0	No	0	Others
National Social Security Fund 414 Combination	9,199,899	0.19	0	No	0	Others

Abu Dhabi Investment Authority	6,707,648	0.14	0	No	0	Foreign legal person
HKSCC Limited	5,003,630	0.10	0	No	0	Foreign legal person
Bank of China- E Fund Resources Industry Hybrid Securities Investment Fund	4,500,000	0.09	0	No	0	Others
Chen Xiaodong	4,448,100	0.09	0	No	0	Domestic natural person

Top ten Shareholders holding tradable shares not subject to trading moratorium

Name of Shareholder	Number of tradable shares held not subject to trading moratorium at the end of the Reporting Period	Class and number of shares held	
		Class	Number
Yankuang Group	2,600,000,000	A Shares	2,600,000,000
HKSCC (Nominees) Limited	1,945,086,699	H Shares	1,945,086,699
China Securities Finance Corporation Limited	25,405,868	A Shares	25,405,868
Central Huijin Assets Management Co., Ltd.	19,355,100	A Shares	19,355,100
China Life Property & Casualty Insurance Company Limited - dividend distribution-individual dividend distribution- 005L-FH002 Shanghai	13,083,621	A Shares	13,083,621
National Social Security Fund 414 Combination	9,199,899	A Shares	9,199,899
Abu Dhabi Investment Authority	6,707,648	A Shares	6,707,648
HKSCC Limited	5,003,630	A Shares	5,003,630
Bank of China- E Fund Resources Industry Hybrid Securities Investment Fund	4,500,000	A Shares	4,500,000
Chen Xiaodong	4,448,100	A Shares	4,448,100
Connected relationship or concerted-party relationship among the above Shareholders	One of Yankuang Group's wholly-owned subsidiaries incorporated in Hong Kong holds 180 million H shares of the Company through HKSCC (Nominees) Limited. In addition to this, connected relationship or concerted-parity relationship among other shareholders is unknown.		
Illustration of preferred shareholders with recovered voting rights and number of shares held by them	No		

Notes:

- ① All the information above including “Total number of Shareholders” and “The top 10 Shareholders and the top 10 Shareholders holding tradable shares of the Company which are not subject to trading moratorium at the end of the Reporting Period” is prepared in accordance with the registers of the Shareholders provided by China Securities Depository and Clearing Co., Ltd. Shanghai Branch and Hong Kong Securities Registration Co., Ltd.
- ② As the clearing and settlement agent for the Company’s H shares, HKSCC (Nominees) Limited holds the Company’s H shares in the capacity of a nominee. HKSCC (Nominees) Limited is the nominal shareholder of the Company’s Shanghai Stock Connect Program.
- ③ On 26 November 2015, Yankuang Group has pledged its 520,000,000 shares of domestic shares without trading moratorium of the Company in favor of the Export-Import Bank of China as full-amount guarantee for a share pledge loan of USD0.5 billion, provided by the Export-Import Bank of China to the Company. The pledge is for a term of 24 months. Yankuang Group pledged its 402,000,000 A shares and 378,000,000 A shares without trading moratorium of the Company in favor of the Qilu Securities (Shanghai) Assets Management Co., Ltd. on 7 July 2016 and 15 July 2016, respectively, for shares pledge repo financing. The pledge is for a term of 36 months. As at 31 March 2017, Yankuang Group pledged total 1,300,000,000 tradable shares held not subject to trading moratorium of the Company accumulatively.
- ④ On 11 April 2017, Yankuang Group released the pledge of the 480,000,000 A shares of the Company it held in favor of Qilu Securities (Shanghai) Assets Management Co., Ltd. On 13 April 2017, the 480,000,000 A shares of the Company held by Yankuang Group were transferred to a guarantee and trust account jointly opened by Yankuang Group and CITIC Securities Co., Ltd., which were also registered in China Securities Depository and Clearing Corporation Limited Shanghai Branch to provide guarantee for issuance of the proposed exchangeable corporate bond. As at the disclosure date of the report, Yankuang Group pledged total 1,300,000,000 shares of the Company accumulatively, accounting for 26.5% of the Company’s total equity.

The following table sets out the substantial shareholders’ interests and/or short positions in the shares and underlying shares of Company as at 31 March 2017:

Name of substantial shareholders	Class of shares	Capacity	Number of shares held (shares)	Nature of interests	Percentage in H Share capital of the Company	Percentage in total share capital of the Company
Yankuang Group	A Shares (state-owned legal person shares)	Beneficial owner	2,600,000,000	Long position	—	52.93%
Qilu Securities (Shanghai) Asset	A Shares	Person having a security	780,000,000	Long position	—	15.88%

Management Co., Ltd.		interest in shares				
Yankuang Group (Note 1)	H Shares	Interest of controlled corporations	180,000,000	Long position	9.22%	3.66%
JPMorgan Chase & Co.	H Shares	Beneficial owner	27,004,199	Long position	1.38%	0.55%
			8,551,356	Short position	0.44%	0.17%
		Investment manager	42,000	Long position	0.00%	0.00%
		Custodian corporation/ approved lending agent	187,702,854	Long position	9.62%	3.82%
Templeton Asset Management Ltd.	H Shares	Investment manager	177,226,000	Long position	9.08%	3.61%
BNP Paribas Investment Partners SA	H Shares	Investment manager	117,641,207	Long position	6.03%	2.39%

Notes:

- ① Yankuang Group's wholly-owned subsidiary incorporated in Hong Kong holds such H Shares in the capacity of beneficial owner.
- ② The percentage figures above have been rounded off to the nearest second decimal place.
- ③ Information disclosed hereby is based on the information available on the website of Hong Kong Stock Exchange at www.hkexnews.hk.

As far as the Directors are aware, save as disclosed above, as at 31 March 2017, other than the Directors, Supervisors or chief executives of the Company, there were no other persons who were substantial shareholders of the Company or had interests or short positions in the shares or underlying shares of the Company, which should: I. be disclosed pursuant to Sections 2 and 3 under Part XV of the SFO; II. be recorded in the register to be kept pursuant to Section 336 of the SFO.

§2 Significant Matters

2.1 General Operating Performance of the Group

2.1.1 Major operating data of main products and services

	First quarter		Increase/decrease (%)
	2017	2016	

1. Coal business (kilotonne)			
Raw coal production	18,710	16,199	15.50
Saleable coal production	18,030	14,528	24.11
Sales volume of saleable coal	20,519	16,383	25.25
2. Railway transportation business (kilotonne)			
Transportation volume	3,339	2,595	28.67
3. Coal chemical business (kilotonne)			
Methanol production	421	369	14.09
Methanol sales volume	397	378	5.03
4. Electrical power business (10,000kWh)			
Power generation	64,397	71,629	-10.10
Electricity sold	37,332	46,725	-20.10

2.1.2 Operating performance of the principal businesses of the Group by segment

1. Coal business

(1) Coal production

For the first quarter of 2017, the raw coal production of the Group was 18.71 million tonnes, representing an increase of 2.51 million tonnes or 15.5% as compared with the corresponding period of the previous year. The saleable coal production was 18.03 million tonnes, representing an increase of 3.50 million tonnes or 24.1% as compared with the corresponding period of the previous year.

The following table sets out the coal production of the Group for the first quarter of 2017:

Unit: kilotonne

Items	First quarter		Increase/decrease (%)
	2017	2016	
I. Raw coal production	18,710	16,199	15.50
1. The Company	8,075	8,981	-10.09
2. Shanxi Neng Hua ^①	415	411	0.97
3. Heze Neng Hua ^②	641	851	-24.68
4. Ordos Neng Hua ^③	2,746	456	502.19
5. Haosheng Coal ^④	1,246	-	-
6. Yancoal Australia ^⑤	3,859	3,935	-1.93
7. Yancoal International ^⑥	1,728	1,565	10.42
II. Saleable coal production	18,030	14,528	24.11
1. The Company	8,059	8,977	-10.23
2. Shanxi Neng Hua	399	405	-1.48

3. Heze Neng Hua	632	848	-25.47
4. Ordos Neng Hua	2,746	457	500.88
5. Haosheng Coal	1,246	-	-
6. Yancoal Australia	3,257	2,757	18.14
7. Yancoal International	1,691	1,084	56.00

Notes:

- ① Shanxi Neng Hua refers to Yanzhou Coal Shanxi Neng Hua Company Limited.
 ② Heze Neng Hua refers to Yanmei Heze Neng Hua Company Limited.
 ③ Ordos Neng Hua refers to Yanzhou Coal Ordos Neng Hua Company Limited. During the reporting period, the production volume of saleable coal of Ordos Neng Hua increased as compared with the corresponding period of last year. It was mainly due to new added volume of Zhuanlongwan Coal Mine as compared with that of last year.
 ④ Haosheng Coal refers to Inner Mongolia Haosheng Coal Mining Company Limited, of which Shilawusu coal mine was put into commercial operation in January 2017.
 ⑤ Yancoal Australia refers to Yancoal Australia Limited.
 ⑥ Yancoal International refers to Yancoal International (Holding) Co., Ltd.

(2) Coal prices and sales

Due to the state policies such as supply side structural reform and capacity cutting, the coal price of the Group increased for the first quarter of 2017 as compared with the corresponding period of last year.

The sales volume of saleable coal for the first quarter of 2017 was 20.52 million tonnes, representing an increase of 4.14 million tonnes or 25.2% as compared with the corresponding period of previous year.

The following table sets out the Group's production and sales of saleable coal by coal types for the first quarter of 2017:

	First quarter of 2017			First quarter of 2016		
	Coal production	Sales volume	Sales price	Coal production	Sales volume	Sales price
	(Kilotonne)	(Kilotonne)	(RMB/tonne)	(Kilotonne)	(Kilotonne)	(RMB/tonne)
1.The Company	8,059	7,065	610.47	8,977	8,168	320.75
No. 1 clean coal	54	24	923.48	26	34	434.48
No. 2 clean coal	2,556	1,864	830.93	2,713	2,611	398.41
No. 3 clean coal	440	495	668.39	616	641	354.62
Lump coal	354	323	727.08	657	640	375.90
Sub-total of clean coal	3,404	2,706	789.62	4,012	3,926	387.90
Screened raw coal	4,655	4,359	499.25	4,059	3,679	282.13
Mixed coal & Others	—	—	—	906	563	105.02
2.Shanxi Neng Hua	399	410	370.01	405	420	160.93
Screened raw coal	399	410	370.01	405	420	160.93

3. Heze Neng Hua	632	425	1,044.79	848	633	368.72
No. 2 clean coal	554	425	1,044.79	528	474	430.22
Screened raw coal	78	—	—	167	70	242.48
Mixed coal & Others	—	—	—	153	89	142.89
4. Ordos Neng Hua	2,746	2,371	225.22	457	479	239.09
Screened raw coal	2,746	2,371	225.22	457	479	239.09
5. Haosheng Coal	1,246	1,190	285.58	—	—	—
Screened raw coal	1,246	1,190	285.58	—	—	—
6. Yancoal Australia	3,257	3,208	533.36	2,757	2,436	361.57
Semi-hard coking coal	75	74	658.48	167	148	555.33
Semi-soft coking coal	—	—	—	468	413	439.17
PCI coal	607	598	821.25	620	548	311.25
Thermal coal	2,575	2,536	461.86	1,502	1,327	336.59
7. Yancoal International	1,691	1,641	349.28	1,084	1,498	269.15
Thermal coal	1,691	1,641	349.28	1,084	1,498	269.15
8. Traded coal	—	4,209	571.95	—	2,749	310.47
9. Total for the Group	18,030	20,519	510.46	14,528	16,383	315.75

(3) Sales Cost of coal

For the first quarter of 2017, the sales cost of coal business of the Group was RMB5.7411 billion, representing an increase of RMB2.5635 billion or 80.7% as compared with the corresponding period of 2016. This was mainly due to: (1) The sales volume of traded coal increased as compared with that of last year, resulting in RMB1.5217 billion increase of sales costs of coal business as compared with that of last year; (2) New mines were put into commercial operation, resulting in the RMB405.1 million increase of sales costs of coal business as compared with that of 2016; (3) The decrease of costs reserves for the Company's safety production and maintaining of simple reproduction resulted in RMB429.8 million increase of the sales costs of coal business.

Unit: RMB'000, RMB/tonne

Items		First quarter		
		2017	2016	Increase/decrease (%)
The Company	Total cost of sales	1,727,599	1,500,703	15.12
	Cost of sales per tonne	243.70	174.96	39.29
Shanxi Neng Hua	Total cost of sales	67,049	48,576	38.03
	Cost of sales per tonne	163.36	115.72	41.17
Heze Neng Hua	Total cost of sales	168,360	195,822	-14.02
	Cost of sales per tonne	321.97	267.02	20.58
Ordos Neng Hua	Total cost of sales	238,174	41,164	478.60
	Cost of sales per tonne	100.47	85.90	16.96
Haosheng Coal	Total cost of sales	128,583	-	-
	Cost of sales per tonne	108.05	-	-
Yancoal Australia	Total cost of sales	832,170	425,698	95.48

	Cost of sales per tonne	259.38	174.75	48.43
Yancoal International	Total cost of sales	419,830	366,387	14.59
	Cost of sales per tonne	255.89	244.64	4.60
Traded coal	Total cost of sales	2,367,079	845,357	180.01
	Cost of sales per tonne	562.65	307.52	82.96

Analysis of sales costs changes of the coal business of the Company: (1) The sales volume decrease of saleable coal of the Company resulted in RMB19.15 increase of sales cost per ton as compared with that of last year; (2) The decrease of costs reserves for the Company's safety production and maintaining of simple reproduction resulted in RMB43.44 increase of the sales costs per ton as compared with that of last year.

Analysis of sales costs changes of the coal business of Shanxi Neng Hua: (1) Through the increase of the enterprise operation profits, the employees' compensation linked with profits increased, resulting in RMB21.62 increase of sales cost per ton as compared with that of last year; (2) The increase of investment for safety resulted in RMB18.66 increase of the sales costs per ton as compared with that of last year.

Analysis of sales costs changes of the coal business of Yancoal Australia: (1) During the reporting period, the exchange rate of Australian dollar against RMB increased, resulting in RMB15.61 increase of cost of coal sales per ton; (2) The amortization of development costs resulted in RMB65.82 increase of cost of coal sales per ton.

2. Railway transportation

For the first quarter of 2017, the transportation volume of the Company's Railway Assets for coal transportation was 3.34 million tonnes, representing an increase of 0.74 million tonnes or 28.7% as compared with the corresponding period of 2016. Income from railway transportation services (income from transportation volume settled on the basis of ex-mine prices and special railway transportation fees borne by customers) was RMB61.222 million, representing an increase of RMB2.941 million or 5.0% as compared with the corresponding period of 2016. The cost of railway transportation business was RMB27.910 million, representing a decrease of RMB8.835 million or 24.0% as compared with the corresponding period of 2016.

3. Coal chemicals business

The following table sets out the operation of methanol business of the Group for the first quarter of 2017:

	Production volume (kilotonne)			Sales volume (kilotonne)		
	First quarter of 2017	First quarter of 2016	Increase/decrease (%)	First quarter of 2017	First quarter of 2016	Increase/decrease (%)
1. Yulin Neng Hua	180	187	-3.74	165	176	-6.25

2. Ordos Neng Hua	241	182	32.42	232	202	14.85
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Notes:

- ① "Yulin Neng Hua" refers to Yanzhou Coal Yulin Neng Hua Co., Ltd.
- ② The methanol production volume and sales of Ordos Neng Hua in first quarter of 2017 increased as compared with that of 2016. This was mainly due to shutdown and overhaul for a relatively longer time than that of the corresponding period of 2016.

	Sales income (RMB'000)			Sales cost (RMB'000)		
	First quarter of 2017	First quarter of 2016	Increase/decrease (%)	First quarter of 2017	First quarter of 2016	Increase/decrease (%)
1. Yulin Neng Hua	324,076	221,081	46.59	243,529	168,147	44.83
2. Ordos Neng Hua	445,818	233,169	91.20	261,888	157,838	65.92

Note: In the first quarter of 2017, the methanol sales income and methanol sales costs of the Group increased as compared with that of 2016. It was mainly due to the price increases of methanol and raw material as compared with that of 2016.

4. Power business

The following table sets out the operation of power business of the Group for the first quarter of 2017:

	Power generation (10,000 kWh)			Electricity sold (10,000 kWh)		
	First quarter of 2017	First quarter of 2016	Increase/decrease (%)	First quarter of 2017	First quarter of 2016	Increase/decrease (%)
1. Hua Ju Energy	20,939	22,789	-8.12	4,934	7,895	-37.50
2. Yulin Neng Hua	7,670	7,997	-4.09	579	766	-24.41
3. Heze Neng Hua	35,788	40,843	-12.38	31,819	38,064	-16.41

Notes:

- ① "Hua Ju Energy" refers to Shandong Hua Ju Energy Company Limited.
- ② In the first quarter of 2017, the electricity sales volume of the Group decreased as compared with that of 2016. It was mainly due to the decrease of volume sold externally after satisfying its internal operating requirements.

	Sales income(RMB'000)			Sales Cost (RMB'000)		
	First quarter of 2017	First quarter of 2016	Increase/decrease (%)	First quarter of 2017	First quarter of 2016	Increase/decrease (%)

1. Hua Ju Energy	21,934	33,795	-35.10	10,612	14,391	-26.26
2. Yulin Neng Hua	1,081	1,666	-35.11	2,265	1,942	16.63
3. Heze Neng Hua	99,002	121,505	-18.52	117,195	82,209	42.56

5. Heat business

In the first quarter of 2017, Hua Ju Energy generated heat energy of 760 thousand steam tonnes, of which 50 thousand steam tonnes were sold, with sales income of RMB10.852 million and sales cost of RMB4.066 million.

6. Electrical and mechanical equipment manufacturing

The following table sets out the operation of the electrical and mechanical equipment manufacturing of the Group for the first quarter of 2017:

	Sales income (RMB'000)			Cost of sales (RMB'000)		
	First quarter of 2017	First quarter of 2016	Increase/decrease (%)	First quarter of 2017	First quarter of 2016	Increase/decrease (%)
1. Hydraulic support (Kiloton)	10,185	140,574	-92.75	7,873	109,699	-92.82
2. Road header (Set)	0	3,019	-100.00	0	2,562	-100.00
3. Chain /belt conveyor (Kiloton)	8,665	11,590	-25.24	7,950	10,547	-24.62
4. Frequency converter / Switchbox (Set)	12,882	11,554	11.49	9,728	8,702	11.79

2.2 Significant movements of the accounting items and financial indicators of the Company and the reasons thereof

2.2.1 Significant movements of items in balance sheet and the reasons thereof

	31 March 2017		31 December 2016		Increase/decrease (%)
	(RMB'000)	Percentage of total assets (%)	(RMB'000)	Percentage of total assets (%)	
Prepayments	3,238,215	2.14	2,080,189	1.43	55.67
Inventories	3,436,050	2.27	2,653,747	1.82	29.48
Projects under construction	10,134,933	6.71	24,890,595	17.09	-59.28
Intangible assets	38,729,266	25.63	26,090,933	17.92	48.44
Notes payable	1,928,097	1.28	1,486,998	1.02	29.66
Long-term accounts payable	911,823	0.60	1,368,579	0.94	-33.37

Analysis of sales costs changes of prepayments: The Group's trade business increased during the reporting period.

Analysis of inventory changes: (1) The inventory increased by RMB519.2 million due to the Group's trade business during the reporting period; (2) The coal inventories of the Company and Heze Neng Hua increased by RMB107.3 million and RMB68.370 million respectively.

Analysis of changes in projects under construction: After the Shilawusu Coal Mine was put into commercial operation in January 2017, (1) The mining lease was transferred from "Projects under construction" to "Intangible assets", resulting in RMB12.0897 billion decrease of projects under construction; (2) The transfer from "Projects under construction" to "Fixed assets" resulted in RMB2.7511 billion decrease of "Projects under construction".

Analysis of changes in intangible assets: After the Shilawusu Coal Mine was put into commercial operation in January 2017, the mining lease was transferred from "Projects under construction" to "Intangible assets", resulting in RMB12.0897 billion increase of "Intangible assets".

Analysis of changes in notes payable: The Group's trade business increased during the reporting period.

Analysis of changes in long-term accounts payable: the Company reclassified the financial leasing costs with maturities of one year as the "Non-current liabilities due within one year", resulting in RMB437.0 million decrease of long-term accounts payable.

2.2.2 Significant movements of items in income statement and the reasons thereof

	First quarter of 2017 (RMB'000)	First quarter of 2016 (RMB'000)	Increase/ decrease (%)	Main reasons for change
Operating income	39,746,029	11,768,360	237.74	(1) Coal sales revenue increased by RMB5,301.1 million as compared with that of 2016; (2) Revenue of other businesses increased by RMB22.5271 billion as compared with that of 2016.
Operating costs	34,721,942	9,593,028	261.95	(1) Coal sales costs increased by RMB2.5635billion as compared with that of 2016; (2) Costs of other businesses increased by RMB 22.469 billion as compared with that of 2016.
Taxes and surcharges	532,606	187,412	184.19	The taxes and surcharges increased due to the inclusion of land tax, real estate tax, vehicle and vessel usage tax and stamp duty after adjustment in

				compliance with the policy of “replacing the business tax with the value-added tax”.
Non-operating income	168,479	61,361	174.57	An amount of RMB75 million was received as urban construction fund appropriated by the local government during this reporting period.
Income Tax	505,801	-32,254	-	The income tax payable increased as compared with the same period of the previous year.

2.2.3 Significant movements of items in cash flow statement and the reasons thereof

	First quarter of 2017 (RMB'000)	First quarter of 2016 (RMB'000)	Increase/decrease (%)	Main reasons for change
Net cash flows from operating activities	1,060,454	-296,898	-	(1) The cash received from merchandise sales and labor supplies increased by RMB35.7926 billion as compared with that of 2016; (2) The cash paid for merchandise purchasing and labor acceptance increased by RMB33.9797 billion as compared with that of 2016. (3) The payment of all taxes and charges increased by RMB987.2 million as compared with that of 2016.
Net cash flows from investing activities	-2,641,145	-3,410,995	-	(1) The cash investment decreased by RMB2.5269 billion as compared with that of 2016; (2) Cash investment in other investment activities increased by RMB1.7687 billion as compared with that of 2016.
Net cash flows from financing activities	1,051,617	-858,721	-	(1) Cash received through borrowing and loans increased by RMB1.7417 billion as compared with that of 2016; (2) The cash received from bond issuance decreased by RMB7.5 billion as compared with that of 2016; (3) The cash for loan repayment decreased by RMB7.0186 billion as compared with that of 2016; (4) The cash for payment of dividends, profit or payable interest decreased by RMB553.8 million as compared with that of 2016.

Net increase in cash and cash equivalents	-406,997	-4,610,005	-	-
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2.3 Progress and impact of significant events and analysis of resolutions

2.3.1 Litigation or Arbitration Events

1. Progress of litigation or arbitration events during the reporting period

Financial loan contract dispute of Agricultural Bank of China Co., Ltd. Jining High-Tech Zone Branch (the “Agricultural Bank Jining High-tech Zone Branch”)

On July 14, 2015, citing the financial loan contract dispute, the Agricultural Bank Jining High-tech Zone Branch sued the Company’s wholly owned subsidiary, Shandong Zhongyin Logistics and Trade Co., Ltd. (“Zhongyin Logistics”), at Jining Intermediate People’s Court. As Shandong Hengfeng Power Fuels Co., Ltd (“Hengfeng Company”) made a pledge to the plaintiff through its accounts receivable of RMB61.1696 million to Zhongyin Logistics, the plaintiff requested Zhongyin Logistics to perform its payment obligations of RMB31.4398 million and corresponding interest within scope of accounts payable.

In April 2017, the Company received a civil judgment (2015) (Jishangchuzi No.242) issued by Jining Intermediate People’s Court, which citing the court made the judgment at the first instance, the relevant litigation by the Agricultural Bank Jining High-Tech Zone Branch against Zhongyin Logistics was rejected. Since the Company does not bear any legal responsibility in this case, this litigation event makes no negative impact on the current profit or future profit of the Company.

For details, please refer to the announcements in relation to litigations dated 23 March 2016 and 25 April 2017. The above announcements were also posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company and/or China Securities Journal and Shanghai Securities News.

2. Newly-occurred litigation or arbitration during the reporting period

Sales contract dispute with Xiamen Xindeco Co., Ltd (“Xiamen Xindeco”)

In March 2017, citing the sales contract dispute, Xiamen Xindeco appealed to the Xiamen Intermediate People’s Court against the Company and Zhongyin Logistics, requiring Zhongyin Logistics to repay goods payment of RMB164.4 million and corresponding interests, and the Company shall bear associated liabilities.

After investigation and verification, the seals of the Company and Zhongyin Logistics as the evidence provided by the plaintiff were all forged. A third party, Shanghai Luxiao Mining Co., Ltd and its relevant responsible person were involved in the case and suspected for forging company seal and implemented contract fraud. For which, the Company has reported and filed in the public security organ in accordance with law, and the public security organ has taken criminal measures against the relevant persons, and now the event and its relevant criminal case are still under trial.

Due to the pending and appearance in the first instance of above case, the Company is unable to accurately estimate the impact of the litigation on the current profit and future profit.

For details, please refer to the announcement in relation to litigations dated 25 April 2017. The above announcement was also posted on the websites of the Shanghai Stock Exchange, the Hong

Kong Stock Exchange and the Company and/or China Securities Journal and Shanghai Securities News.

Except the events disclosed above, there is no other significant litigation or arbitration event during this reporting period, nor any progress on those pending litigations disclosed in the previous reporting period. For details of those pending litigation events of the previous reporting period, please refer to the 2016 annual report, which was posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company.

2.3.2 Major connected/related transactions

1. Establishment of Yankuang Electricity Sales Co., Ltd

As reviewed and approved at the twenty-ninth meeting of the sixth session of the Board convened on 10 March 2017, Huaju Energy, a controlled subsidiary of Yanzhou Coal and Yankuang Group jointly invested and established Yankuang Electricity Sales Co., Ltd, of which, Huaju Energy contributed RMB30 million, holding 25% equity.

For details, please refer to the announcement in relation to the resolution of the Board and the announcement on connected/related transaction dated 10 March 2017, which were published on the websites of the Shanghai Stock Exchange and the Hong Kong Stock Exchange, the website of the Company and/or China Securities Journal and Shanghai Securities News.

2. Acquisition of 65% equity of Yankuang Finance Company Limited (“Yankuang Finance Company”) and continuing connected/related transaction of financial services

As considered and approved at the thirtieth meeting of the sixth session of the Board held on 31 March 2017, the Company signed the Financial Services Agreement (the original “Financial Services Agreement”) with Yankuang Finance Company, specifying that Yankuang Finance shall provide deposit, comprehensive credit line, settlement and other financial services to the Company and the annual cap of service fee for a period from 1 April 2017 to 31 December 2017. At the thirty-first meeting of the sixth session of the Board held on 28 April 2017, a proposal to acquire 65% equity of Yankuang Finance Company held by Yankuang Group for a consideration of RMB1.1242 billion, a new “Financial Service Agreement” between Yankuang Finance Company and Yankuang Group and the annual cap for such transaction for the period from the year 2017 to 2019 were reviewed and passed. And the connected/related transaction is yet to be reviewed and approved at the annual general meeting. As at the date before the completion of the acquisition of 65% equity of Yankuang Finance Company, the continuing connected/related transaction of financial services between the Company and Yankuang Finance Company shall be in compliance with the original “Financial Service Agreement”.

For details, please refer to the announcement in relation to the resolution of the Board and the announcement on connected/related transaction dated 31 March 2017 and 28 April 2017, respectively. The above announcements were also posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company and/or China Securities Journal and Shanghai Securities News.

2.3.3 Entrusted Cash and Assets Management

Trustee	Product type of entrusted wealth management	Amount (RMB100 million)	Valid from	Maturity date	Income rate	Amount of actual principal taken back (RMB100 million)	Actual income (RMB10 thousand)	Either passed legal procedure or not	Connected transactions or not	Lawsuit involved or not
Jining branch of Industrial Bank Co., Ltd.	Principal and income guaranteed	20	25 January 2017	25 April 2017	4.00%	20	1972.60	Yes	No	No
Zoucheng Jining sub-branch of Bank of Communications	Principal and income guaranteed	20	26 January 2017	27 February 2017	4.10%	20	718.90	Yes	No	No
Total	/	40	/	/	/	40	2691.50	/	/	/
Amount of principal and income unrecovered but overdue (RMB)						0				
Explanations on entrusted wealth management			<p>At the 2014 first extraordinary general meeting of the Company held on 24 October 2014, the Company was approved to carry out the principal-guaranteed wealth management business for an aggregate amount not exceeding RMB5.0 billion. The expiration period of this business is 36 months starting from the date of the meeting.</p> <p>The above-mentioned entrusted wealth management business does not constitute connected transaction and the Company has not made provision for impairment loss of asset for these. As at the disclosure date of this report, the Company has received all principal and income incurred in the reporting period.</p> <p>For details, please refer to the announcements in relation to purchase of wealth management products dated 25 January 2017. The above announcements were also posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website and/or China Securities Journal and Shanghai Securities news.</p>							

2.3.4 Performance of Undertakings Made by the Controlling Shareholder, the Company and the Director and the Senior Management of the Company

Background	Type	Undertaker	Undertakings	Undertaking Date and Deadline for Performance	Have Performance Deadline or Not	Perform Timely and Strictly or Not
Undertakings Related to IPO	Resolve horizontal competition	Yankuang Group	Avoidance of horizontal competition: Yankuang Group and the Company entered into the Restructuring Agreement when the Company was restructured in 1997, pursuant to which Yankuang Group undertook that it would take various effective measures to avoid horizontal competition with the Company.	Year 1997 Long-term effective	No	Yes

Undertakings Related to Refinancing	Other	Yankuang Group	<p>The filling measures to the diluted prompt returns due to the Company's non-public issuance of A Shares:</p> <p>1) Undertakes neither excessive intervention to the Company's operation and management activities nor encroach on the Company's interests; 2) From the date of the undertaking made to the date of completion of non-public issuance, if CSRC publishes new regulations about filling in return measures and other undertakings, and the above undertakings cannot meet the such regulations of CSRC, then supplementary undertakings shall be made as per the new regulations of CSRC.</p>	31 March 2017 Long-term effective	No	Yes
	Other	Directors and Senior Management of the Company	<p>The filling measures to the diluted prompt returns due to the Company's non-public issuance of A Shares:</p> <p>1) Undertakes not to convey interests to other unit or individuals free of charge or under unfair conditions, or to damage the Company's interests in other ways; 2) Undertakes to constraint the position-related consumptions; 3) Undertakes not to use the Company's assets for investment, consumption activities which have nothing to do with their duty performance in the Company; 4) Undertakes that the salary system set by the Board of Directors or Remuneration Committee is linked up with the Company's executions of filling in returns; 5) Undertakes to link up the power exercising conditions of equity incentive set by the Company with the implementation of the Company's filling in returns, if the Company implements the equity incentive in future; 6) Undertakes to effectively perform the relative filling in returns set by the Company and any undertakings made by individuals for filling in returns. Undertakes to be liable to the compensations to the Company or investors, if in violation of such undertakings or damage made to the Company or investors; 7) From date of the undertaking made to the date of the completion of non-public issuance, if CSRC publishes new regulations about filling in return measures and other undertakings, and the above undertakings cannot meet the such regulations of CSRC, then supplementary undertakings shall be made as per the new regulations of CSRC.</p>	31 March 2017 Long-term effective	No	Yes

2.3.5 Changes of the Directors, the Supervisor and the Senior Management of the Company

1. Changes of members of the Board

As reviewed and approved at thirtieth meeting of the sixth session of the Board held on 31 March 2017, the Board of the Company nominated Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Wu Yuxiang, Mr. Zhao Qingchun and Mr. Guo Dechun as the candidates for the seventh session of the non-independent directors, and nominated Mr. Kong Xiangguo, Mr. Jia

Shaohua, Mr. Pan Zhaoguo and Mr. Qi Anbang as the candidates for the seventh session of the independent directors, and the nomination will be submitted to the 2016 annual general meeting for election.

On 18 April 2017, the trade union committee nominated Mr. Guo Jun as the candidate for the employee director of the seventh session of the Board, and the nomination will be submitted to the congress of workers and staff for election.

2. Changes of members of the Supervisory Committee

As reviewed and approved at the fifteenth meeting of the sixth session of the Supervisory Committee dated 31 March 2017, the sixth session of the Supervisory Committee nominated Mr. Gu Shisheng, Mr. Zhou Hong, Mr. Meng Qingjian and Mr. Zhang Ning as the candidates for the seventh session of the non-employee representative supervisors, and the nomination will be submitted to the 2016 annual general meeting for election.

On 18 April 2017, the trade union committee nominated Mr. Jiang Qingquan and Mr. Chen Zhongyi as the candidate for the employee supervisors of the seventh session of the Supervisory Committee, and the nomination will be submitted to the congress of workers and staff for election.

2.3.6 Other Significant Events

1. Acquisition of Equity of Coal & Allied Industries Limited

As reviewed and approved at the twenty-eighth meeting of the sixth session of the Board held on 24 January 2017, Yancoal Australia, a controlled overseas subsidiary, planned to acquire 100% of share capital of Coal & Allied Industries Limited, which was owned by Australian Coal Holdings Pty. Limited and Hunter Valley Resources Pty Ltd, wholly-owned members of Rio Tinto plc at a consideration of USD2.35 billion (or USD2.45 billion, which depends on method of consideration payment). The transaction is still subject to the approval at the general meeting of Shareholders of the Company.

For details, please refer to announcement on equity acquisition by overseas controlled subsidiary dated 24 January 2017, which was posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website and/or China Securities Journal and Shanghai Securities news.

2. Delisting and Deregistration of the ADSs of the Company from the New York Stock Exchange

As reviewed and approved at the twenty-eighth meeting of the six session of the board of directors held on 24 January 2017, the ADSs of the Company were changed to be traded in the over-the-counter market instead of the public market of the New York Stock Exchange ("NYSE"). The Company applied for deregistration to NYSE on 25 January 2017 and the delisting became effective on 16 February 2017 following the close of the market in New York City. Upon completion of this change, the Company will delist from New York Stock Exchange and its ADSs will be traded on OTCQX of New York. As at the reporting date, the Company is under relevant overseas regulatory procedures in relation to the change of trading the ADSs of the Company in the over-the-counter market instead of the public market of the NYSE.

For details, please refer to the announcement in relation to the delist of the ADSs from the New York Stock Exchange dated 25 January 2017, which was published on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company.

3. Establishment of Qingdao (Region) Headquarter

As reviewed and approved at the twenty-ninth meeting of the sixth session of the Board convened on 10 March 2017, the Company established Qingdao (Region) Headquarter to be in charge of the management of all existing subordinate enterprises and projects under planning or development of the Company.

4. Issuance of Non-public A shares

As reviewed at the thirtieth meeting of the sixth session of the Board convened on 31 March 2017 and the thirty-first meeting of the sixth session of the Board convened on 28 April 2017, the Company will issue non-public A Shares in an amount not exceeding 647 million shares (including 647 million shares) to specific investors, with issue price not less than 90% of the average trading price of twenty days ahead of the date of pricing and the Benchmark Price Determination Date is the first day of the non-public issuance. The gross Proceeds is expected to be an amount not exceeding RMB7 billion, and the net Proceeds after deduction of financing expenses will be used for the purchase of 100% equity of Coal & Allied Industries Limited. The issuance is to be implemented upon review and approval by the general meeting of shareholders of the Company and China Securities Regulatory Commission.

For details, please refer to the announcements on non-public issuance of A Shares dated 31 March 2017 and 28 April 2017, which were published on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website and/or China Securities Journal and Shanghai Securities news.

5. Issuance of US\$500 Million Perpetual Capital Securities

As authorized by the 2015 annual general meeting, the Company issued US\$500,000,000 Senior Guaranteed Perpetual Capital Securities in the name of Yancoal International Resources Development Co., Limited, a wholly-owned subsidiary on 13 April 2017, which was approved to be traded on The Stock Exchange of Hong Kong Limited on 18 April 2017, and unconditionally and irrevocably guaranteed by the Company.

For details, please refer to the announcements on US\$500,000,000 Senior Guaranteed Perpetual Capital Securities dated 6 April 2017 and 17 April 2017 respectively, which were published on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website.

6. Appointment and remuneration plan of the 2017 external auditor

As considered and approved at the thirty-first meeting of the six session of the Board held on 28 April 2017, the Company appointed Shine Wing Certified Public Accountants (special general partnership) and SHINEWING (HK) CPA Limited as the domestic and overseas accountants for the year 2017, responsible for the audit of financial statement and the audit assessment on internal control, with the term from the end of 2016 annual general meeting to the end of 2017 annual general meeting.

The Company was approved to pay RMB6.25 million for the audit services of both domestic and overseas businesses for the year 2017, including RMB4.65 million for ShineWing Certified Public Accountants (Special General Partnership) and RMB1.60 million for ShineWing (HK) CPA Limited. The Company is responsible for auditors' on-site audit accommodation and meal expenses, but not for travelling expenses and any other related expenses. The overseas subsidiary(ies) of the Company was approved to pay AUD1.35 million for the audit services of businesses in Australia for the year 2017 but not be responsible for auditors' on-site audit accommodation, meal exp

enses, travelling expenses and any other related expenses. To authorize the Board to decide the payment for increased follow-up auditing, internal control audit and other services resulted from the Company's new subsidiaries or changes of regulations.

The appointment and remuneration plan of the 2017 external auditor is yet to be approved by the shareholders' meeting of the Company.

§3 Directors

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 non-executive directors of the Company are Mr. Kong Xiangguo, Mr. Jia Shaohua, Mr. Wang Xiaojun and Mr. Qi Anbang.

Yanzhou Coal Mining Company Limited

Li Xiyong

Chairman of the Board

28 April 2017

Appendices

Consolidated Balance Sheet

31 March 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: unaudited

ITEMS	As at 31 March 2017	As at 1 January 2017
CURRENT ASSETS :		
Cash at bank and on hand	21,231,114	20,012,569
Excess reserves settlement		
Lending to banks and other financial institutions		
Financial assets at FVTPL		
Derivative financial assets		
Bills receivable	7,756,582	6,886,001
Accounts receivable	2,776,571	2,849,858
Prepayments	3,238,215	2,080,189
Premiums receivable		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Interest receivable	4,137	13,123
Dividends receivable	5,000	5,000
Other receivables	2,834,991	2,674,200
Purchase of resold financial assets		
Inventories	3,436,050	2,653,747
Held-to-sale assets		
Non-current assets due within one year	2,150,927	2,074,630
Other current assets	2,995,377	2,971,057
TOTAL CURRENT ASSETS	46,428,964	42,220,374
NON-CURRENT ASSETS :		
Disbursement of loans and advances		
Available-for-sale financial assets	2,542,990	2,624,003
Held-to-maturity investments	69,427	69,427
Long-term accounts receivable	5,188,248	4,667,837
Long-term equity investments	5,375,021	5,198,663
Real estate investment	740	752
Fixed assets	33,253,770	30,475,190
Construction in progress	10,134,933	24,890,595
Construction materials	17,525	19,293
Disposal of fixed assets		
Productive biological assets		
Oil gas assets		
Intangible assets	38,729,266	26,090,933
Development expenditure		
Goodwill	355,329	338,107

Long-term deferred expenses	53	22
Deferred tax assets	8,004,102	8,062,957
Other non-current assets	1,008,678	964,250
TOTAL NON-CURRENT ASSETS	104,680,082	103,402,029
TOTAL ASSETS	151,109,046	145,622,403
CURRENT LIABILITIES:		
Short-term borrowings	5,886,061	5,662,216
Borrowings from central bank		
Deposits absorption and interbank deposits		
Loans from banks or other financial institutions		
Financial liabilities at FVTPL		
Derivative financial liability		
Bills payable	1,928,097	1,486,998
Accounts payable	4,131,026	4,677,974
Advances from customers	3,297,836	2,685,783
Amounts from sale of repurchased financial assets		
Service charge and commissions payable		
Salaries and wages payable	1,617,339	1,538,809
Taxes payable	1,100,071	1,333,918
Interest payable	422,733	569,808
Dividend payable	2,781	2,781
Other payables	4,940,545	5,220,994
Reinsurance accounts payable		
Reserve for insurance contract		
Acting trading securities		
Acting underwriting securities		
Held-to-sale liabilities		
Non-current liabilities due within one year	12,060,903	12,182,912
Other current liabilities	16,209,135	16,185,562
TOTAL CURRENT LIABILITIES	51,596,527	51,547,755
NON-CURRENT LIABILITIES:		
Long-term borrowings	23,980,586	22,453,491
Bonds payable	10,797,048	10,526,605
Including: preferred shares		
perpetual bonds		
Long-term payable	911,823	1,368,579
Long-term salaries and wages payable		1,925
Special accounts payable	135,107	145,403
Estimated liabilities	835,603	812,905
Deferred revenue	65,599	67,107
Deferred tax liabilities	7,457,382	7,632,334
Other non-current liabilities	15,193	15,249

TOTAL NON-CURRENT LIABILITIES	44,198,341	43,023,598
TOTAL LIABILITIES	95,794,868	94,571,353
SHAREHOLDERS' EQUITY:		
Share capital	4,912,016	4,912,016
Other equity instruments	6,767,113	6,662,191
Including: preferred shares		
perpetual bonds	6,767,113	6,662,191
Capital reserves	1,258,653	1,258,653
Less: treasury stock		
Other comprehensive income	-7,524,267	-9,217,545
Special reserves	1,420,522	1,178,849
Surplus reserves	5,900,135	5,900,135
Provision for general risk	-	-
Undistributed earnings	32,953,077	31,328,759
Equity attributable to shareholders of the parent company	45,687,249	42,023,058
Minority interest	9,626,929	9,027,992
TOTAL SHAREHOLDERS' EQUITY	55,314,178	51,051,050
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	151,109,046	145,622,403

Legal Representative of the Company: Li Xiyong

Chief Financial Officer: Zhao Qingchun

Head of Accounting Department: Xu Jian

Balance Sheet of the Parent Company

31 March 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: unaudited

ITEMS	As at 31 March 2017	As at 1 January 2017
CURRENT ASSETS :		
Cash at bank and on hand	14,482,016	14,242,948
Financial assets at FVTPL		
Derivative financial asset		
Bills receivable	7,620,046	6,422,831
Accounts receivable	783,721	727,958
Prepayments	220,008	56,117
Interests receivable	1,881,156	2,171,944
Dividends receivable	5,000	5,000
Other receivables	23,672,047	22,656,316
Inventories	531,161	423,869
Held-to-sale assets		
Non-current assets due within one year	8	8
Other current assets	2,116,530	1,894,570
TOTAL CURRENT ASSETS	51,311,693	48,601,561
NON-CURRENT ASSETS :		
Available-for-sale financial assets	11,014,714	11,014,714
Held-to-maturity investment	7,472,000	7,522,000
Long-term accounts receivable		
Long-term equity investments	46,745,045	46,616,256
Investment real estate		
Fixed assets	5,608,847	5,873,907
Construction in progress	77,577	73,783
Construction materials		
Disposal of fixed assets		
Productive biological assets		
Oil gas assets		
Intangible assets	1,722,383	1,768,109
Development expenditure		
Goodwill		
Long-term deferred expenses	20	22

Deferred tax assets	1,291,642	1,255,485
Other non-current assets	117,926	117,926
TOTAL NON-CURRENT ASSETS	74,050,154	74,242,202
TOTAL ASSETS	125,361,847	122,843,763
CURRENT LIABILITIES:		
Short-term borrowings	5,469,562	5,264,900
Financial liabilities at FVTPL		
Derivative financial liabilities		
Bills payable	422,388	351,299
Accounts payable	998,991	1,309,541
Advances from customers	812,963	780,930
Salaries and wages payable	1,044,673	1,055,981
Taxes payable	777,402	916,100
Interest payable	729,930	811,904
Dividends payable		
Other payable	8,425,792	7,938,851
Held-to-sale liabilities		
Non-current liabilities due within one year	8,838,933	8,650,764
Other current liabilities	15,860,676	15,860,350
TOTAL CURRENT LIABILITIES	43,381,310	42,940,620
NON-CURRENT LIABILITIES:		
Long-term borrowings	16,211,991	14,941,547
Bonds payable	8,950,729	8,947,492
Including: preferred share		
perpetual bond		
Long-term payables	1,111,721	1,548,707
Long-term salaries and wages payable		
Special accounts payable	134,698	145,403
Estimated liabilities	-	22,432
Deferred income	42,796	43,892
Deferred tax liabilities	102	102
Other non-current liabilities	-	-
TOTAL NON-CURRENT LIABILITIES	26,452,037	25,649,575
TOTAL LIABILITIES	69,833,347	68,590,195
SHAREHOLDERS' EQUITY:		
Share capital	4,912,016	4,912,016

Other equity instrument	6,767,113	6,662,191
Including: preferred share		
perpetual bond	6,767,113	6,662,191
Capital reserves	1,497,179	1,497,179
Less: treasury stock		
Other comprehensive income	-4,208	6,335
Special reserves	1,101,840	931,653
Surplus reserves	5,855,025	5,855,025
Undistributed profits	35,399,535	34,389,169
TOTAL SHAREHOLDERS' EQUITY	55,528,500	54,253,568
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	125,361,847	122,843,763

Legal Representative of the Company: Li Xiyong

Chief Financial Officer: Zhao Qingchun

Head of Accounting Department: Xu Jian

Consolidated Income Statement

The first quarter of 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: Unaudited

Items	The first quarter of 2017	The first quarter of 2016
1.TOTAL OPERATING INCOME	39,746,029	11,768,360
Including: Operating income	39,746,029	11,768,360
Interest income		
Premiums income		
Service charges and commissions income		
2.TOTAL OPERATING COST	37,574,466	11,774,855
Including: Operating cost	34,721,942	9,593,028
Interests expenses		
Service charges and commissions expenditure		
Cash surrender value		
Net amount of compensation payout		
Net amount of provisions for insurance contract guarantee fund		
Insurance policy dividend payment		
Reinsurance expenses		
Taxes and surcharges	532,606	187,412
Selling expenses	712,580	568,327
General and administrative expenses	1,029,524	821,195
Financial expenses	577,082	604,023
Impairment loss of assets	732	870
Add: Gain from change in fair value (The loss is listed beginning with “-”)	-	-95
Investment income(The loss is listed beginning with “-”)	173,031	215,149
Including: investment income from associates and joint ventures	166,035	215,768
Exchange gains (The loss is listed beginning with “-”)		
3.Operating profit (The loss is listed beginning with “-”)	2,344,594	208,559
Add : Non-operating income	168,479	61,361
Including: Gains from disposal of non-current assets	472	1,851
Less: Non-operating expenditures	3,012	8,450
Including: Losses from disposal of non-current assets	-	1,398
4.Total profit (The total loss is listed beginning with “-”)	2,510,061	261,470
Less: Income tax	505,801	-32,254
5.Net profit (The net loss is listed beginning with “-”)	2,004,260	293,724
Net profit attributable to shareholders of the parent	1,748,567	247,499

company		
Net profit attributable to other equity instrument holders of parent company	104,923	103,710
Gains and losses of minority interest	150,770	-57,485
6.Net other comprehensive income after tax	2,112,747	513,764
Net other comprehensive income after tax attributable to the shareholders of the parent company	1,693,279	456,840
(1) Other comprehensive income, which will not be reclassified into the gains and losses in future		
1. Changes of net liabilities or net assets due to re-measurement on defined benefit plan		
2. Other comprehensive income cannot be reclassified to gains and losses shared by the investee accounted under equity method		
(2) Other comprehensive income, which will be reclassified into the gains and losses in future	1,693,279	456,840
1. Other comprehensive income reclassified to gains and losses in the future shared by the investee accounted under equity method	-10,544	-2,273
2. Gains and losses of the fair value changes of the AFS financial assets	166,309	-69
3. Held-to-maturity investment reclassified to gains and losses of the AFS financial assets		
4. Effective part of the gains and losses of cash flow hedging	172,499	661,948
5. Translation balance of the foreign currency financial statements	1,365,015	-202,766
6. Others		
Net other comprehensive income after tax attributable to the minorities	419,468	56,924
7.Total comprehensive income	4,117,007	807,488
Total comprehensive income attributable to shareholders of the parent company	3,441,846	704,339
Total comprehensive income attributable to other equity instrument holders of parent company	104,923	103,710
Total comprehensive income attributable to minority interest	570,238	-561
8.Earnings per share		
(1) Earnings per share, basic	0.3560	0.0503
(2) Earnings per share, diluted	0.3560	0.0503

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

Income Statement of the Parent Company

The first quarter of 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: Unaudited

Items	The first quarter of 2017	The first quarter of 2016
1.TOTAL OPERATING INCOME	5,134,145	3,357,728
Less: Operating cost	2,545,424	2,128,328
Taxes and surcharges	360,958	153,346
Selling expense	64,664	62,683
General and administrative expense	529,055	453,184
Financial expenses	645,905	435,258
Impairment loss of assets		
Add: Gain from the change in fair value (The loss is listed beginning with "-")	-	-95
Investment income (The loss is listed beginning with "-")	391,708	625,666
Including: Investment income from associates and joint ventures	129,083	252,935
2.Operating profit (The loss is listed beginning with "-")	1,379,847	750,500
Add: Non-operating income	87,374	2,735
Including: Gains from disposal of non-current assets	-	1,375
Less: Non-operating expense	1,470	389
Including: Loss from disposal of non-current assets		
3.Total profit (The total loss is listed beginning with "-")	1,465,751	752,846
Less: Income tax	350,462	114,481
4.Net profit (The net loss is listed beginning with "-")	1,115,289	638,365
Net profit attributable to shareholders of the parent company	1,010,366	534,655
Net profit attributable to other equity instrument holders of parent company	104,923	103,710
5.Net other comprehensive income after tax	-10,544	-2,342
(1) Other comprehensive income, which will not be reclassified into the gains and losses in future		
1. Changes of net liabilities or net assets due to re-measurement on defined benefit plan		
2. Other comprehensive income cannot be reclassified to gains		

and losses shared by the investee accounted under equity method		
(2) Other comprehensive income, which will be reclassified into the gains and losses in future	-10,544	-2,342
1. Other comprehensive income reclassified to gains and losses in the future shared by the investee accounted under equity method	-10,544	-2,273
2. Gains and losses of the fair value changes of the AFS financial assets	-	-69
3. Held-to-maturity investment reclassified to gains and losses of the AFS financial assets		
4. Effective part of the gains and losses of cash flow hedging		
5. Translation balance of the foreign currency financial statements		
6. Others		
6.Total comprehensive income	1,104,745	636,023
Total comprehensive income attributable to shareholders of the parent company	999,822	532,313
Total comprehensive income attributable to other equity instrument holders of parent company	104,923	103,710
7.Earnings per share		
(1) Earnings per share, basic	0.2057	0.1087
(2) Earnings per share, diluted	0.2057	0.1087

Legal Representative of the Company: Li Xiyong

Chief Financial Officer: Zhao Qingchun

Head of Accounting Department: Xu Jian

Consolidated Cash Flow Statement

The first quarter of 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: Unaudited

Items	The first quarter of 2017	The first quarter of 2016
1.CASH FLOW FROM OPERATING ACTIVITIES :		
Cash received from sales of goods or rendering of services	43,639,169	7,846,523
Net increase in customer's deposits and financial institution deposits		
Net increase in borrowings from central bank		
Net increase in borrowings from other financial institutions		
Cash received from former-insurance premiums		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase from disposal of financial assets at FVTPL		
Cash received from interests, service charge and commissions		
Net increase in borrowings from other companies		
Net increase from repurchasing businesses		
Tax refunding	184,448	86,258
Other cash received relating to operating activities	779,909	654,098
Sub-total of cash inflows	44,603,526	8,586,879
Cash paid for goods and services purchased	38,657,326	4,677,630
Net increase in loans and advance from customers		
Net increase in deposits in central bank and other financial institutions		
Cash paid for former insurance contracts claims		
Cash paid for interests, service charge and commissions		
Cash paid for insurance policy dividends		
Cash paid to employees and on behalf of employees	1,963,328	2,113,598
Taxes payments	2,220,764	1,233,582
Other cash paid relating to operating activities	701,654	858,967
Sub-total of cash outflows	43,543,072	8,883,777
NET CASH FLOW FROM OPERATING ACTIVITIES	1,060,454	-296,898
2.CASH FLOW FROM INVESTMENT ACTIVITIES:		
Cash received from recovery of investments	263,630	-
Cash received from return of investments income	16,370	145,000
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	-	2,197
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		
Sub-total of cash inflows	280,000	147,197

Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,132,411	1,011,248
Cash paid for investments	20,000	2,546,944
Net increase of pledge loans		
Net cash amounts paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investment activities	1,768,734	-
Sub-total of cash outflows	2,921,145	3,558,192
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-2,641,145	-3,410,995
3.CASH FLOW FROM FINANCING ACTIVITIES:		
Cash received from investors	24,500	
Including: Cash received from minority shareholders of subsidiaries	24,500	
Cash received from borrowings	2,200,000	458,338
Cash received from bonds	4,500,000	12,000,000
Other cash received relating to financing activities		
Sub-total of cash inflows	6,724,500	12,458,338
Repayments of borrowings and debts	5,094,900	12,113,500
Cash paid for distribution of dividends or profits, or cash paid for interest expenses	577,983	1,131,791
Including: cash paid for distribution of dividends or profits by subsidiaries to minority shareholders		
Other cash paid relating to financing activities		71,768
Sub-total of cash outflows	5,672,883	13,317,059
NET CASH FLOW FROM FINANCING ACTIVITIES	1,051,617	-858,721
4.EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	122,077	-43,391
5.NET INCREASE ON CASH AND CASH EQUIVALENTS	-406,997	-4,610,005
Add: Cash and cash equivalents, opening	15,009,221	23,604,026
6.CASH AND CASH EQUIVALENTS, CLOSING	14,602,224	18,994,021

Legal Representative of the Company: Li Xiyong Chief Financial Officer: Zhao Qingchun
Head of Accounting Department: Xu Jian

Cash Flow Statement of the Parent Company

The first quarter of 2017

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 Audit type: Unaudited

Items	The first quarter of 2017	The first quarter of 2016
1.CASH FLOW FROM OPERATING ACTIVITIES :		
Cash received from sales of goods and rendering of services	5,110,415	4,768,711
Tax refunding		
Other cash received relating to operating activities	384,712	191,364
Sub-total of cash inflows	5,495,127	4,960,075
Cash paid for goods and services	2,098,637	2,719,093
Cash paid to and on behalf of employees	1,164,017	1,336,135
Taxes payments	1,699,350	953,848
Other cash paid relating to operating activities	306,351	305,795
Sub-total of cash outflows	5,268,355	5,314,871
NET CASH FLOW FROM OPERATING ACTIVITIES	226,772	-354,796
2.CASH FLOW FROM INVESTMENT ACTIVITIES:		
Cash received from recovery of investments	50,000	200,000
Cash received from return of investments	-	145,000
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	-	1,375
Net cash amount received from the disposal of subsidiaries and other business units	-	-
Other cash received relating to investment activities	285,000	-
Sub-total of cash inflows	335,000	346,375
Cash paid to acquire fixed assets, intangible assets and other long-term assets	3,838	25,914
Cash paid for investments	25,500	550,000
Net cash paid for the acquisition of subsidiaries and other business units		
Other cash paid relating to investment activities	2,373,659	1,433,528
Sub-total of cash outflows	2,402,997	2,009,442
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-2,067,997	-1,663,067
3.CASH FLOW FROM FINANCING ACTIVITIES:		
Cash received from investors		
Cash received from borrowings	1,900,000	398,138
Cash received from bonds	4,500,000	12,000,000
Cash received relating to other financing activities		
Sub-total of cash inflows	6,400,000	12,398,138
Repayments of borrowings	5,094,900	10,612,809
Cash paid for distribution of dividends or profits, or cash paid for interest expenses	90,232	804,788

Other cash payment relating to financing activities	379,563	4,385,131
Sub-total of cash outflows	5,564,695	15,802,728
NET CASH FLOW FROM FINANCING ACTIVITIES	835,305	-3,404,590
4.EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-9,104	35,166
5.NET INCREASE ON CASH AND CASH EQUIVALENTS	-1,015,024	-5,387,287
Add: Cash and cash equivalents, opening	10,328,324	19,174,513
6.CASH AND CASH EQUIVALENTS, CLOSING	9,313,300	13,787,226

Legal Representative of the Company: Li Xiyong

Chief Financial Officer: Zhao Qingchun

Head of Accounting Department: Xu Jian