

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



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 THIRD QUARTER OF 2018

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 (the "**Board**") of directors (the "**Directors**"), 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 third quarter of 2018 of the Company (the "**Report**") was considered and approved by the nineteenth meeting of the seventh 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 July 2018 to 30 September 2018.

"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 third quarter ended 30 September 2018 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 recording currency used in this Report is Renminbi (“RMB”).
- For the first three quarters of 2018, the operating income of the Group was RMB119.19 billion, representing a decrease of RMB251 million or 0.2% as compared with the corresponding period of last year. Net profit attributable to the shareholders of the parent company was RMB5.504 billion, representing an increase of RMB649 million or 13.4% 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

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 (%)
		After adjustment	Before adjustment	
Total assets	194,243,624	194,887,291	194,887,291	-0.33
Net assets attributable to the shareholders of listed company	59,480,697	54,939,172	54,939,172	8.27
	From the beginning of the year to the end of the Reporting Period (January-September)	From the beginning of the year till the end of the reporting period of the year 2017 (January-September)		Increase/decrease for the Reporting Period as compared with the corresponding period of previous year (%)
		After adjustment	Before adjustment	
Net cash flows from operating activities	12,653,079	5,673,235	8,194,443	123.03
	From the beginning of the year to the end of the Reporting Period (January-September)	From the beginning of the year till the end of the reporting period of the year 2017 (January-September)		Increase/decrease for the Reporting Period as compared with the corresponding period of previous year (%)
		After adjustment	Before adjustment	
Operating income	119,190,485	119,441,558	119,218,615	-0.21
Net profit attributable to the shareholders of listed company	5,504,014	4,855,183	4,783,394	13.36
Net profit attributable to the shareholders of listed company after deducting extraordinary profits and losses	5,885,151	4,363,134	4,390,918	34.88
Weighted average return on net assets (%)	9.51	10.25	10.36	decreased 0.74 percentage points
Basic earnings per share (RMB)	1.1205	0.9884	0.9738	13.37
Diluted earnings per share (RMB)	1.1205	0.9884	0.9738	13.37

Note:

In 2017, the Company completed the acquisition of 65% equity interests of Yankuang Group Finance Co., Ltd. (“**Yankuang Finance Company**”). According to China Accounting Standards (“the new accounting standards”), this acquisition constitutes a business combination under common control. The Group implemented the revised financial instrument standard and other accounting standards in the first three quarters of 2018. Based on these changes, the Group has made retrospective adjustments to the subjects related to the comparison of financial statements in the first three quarters of 2017.

Extraordinary gains and losses items and amounts

Unit: RMB'000

Items of extraordinary profits and losses	Amount for the Reporting Period (July-September)	Amount from the beginning of the year 2018 till the end of the reporting period (January-September)
Gains and losses on disposals of non-current assets	-7,418	354,341
Government grants recognized as gains or loss of current period, excluding the government grants, which are closely related to the Company's normal business operations, in line with national policies and can be continuously enjoyed according to certain standard quota or quantities.	1,332	44,820
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	9,642	212,806
Reversion of the impairment provision for the receivables separately tested	0	36,364
External gains and losses from entrusted loans	0	2,751
Other non-operating income and expenses excluding the above mentioned items	-237,949	-134,337
Other items that meet the definition of extraordinary gains and losses	0	-1,016,000
Effect of the equity of minorities (after tax)	-9,435	-81,309
Effect of income tax	55,487	199,427
Total	-188,341	-381,137

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

Unit: share

Total number of Shareholders					76,629	
Shareholdings of the top ten 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 Co. Ltd. ("Yankuang Group")	2,267,169,423	46.16	0	No	0	State-owned legal person
Hong Kong Securities Clearing Company (Nominees) Limited ("HKSCC (Nominees) Limited")	1,948,510,099	39.67	0	Unknown	-	Overseas legal person
National Social Security Fund 102 Combination	24,499,961	0.50	0	No	0	Others
Central Huijin Assets Management Co., Ltd.	19,355,100	0.39	0	No	0	State-owned legal person
Abu Dhabi Investment Authority	12,557,946	0.26	0	No	0	Others
New China Life Insurance Co., Ltd.-Dividend - Group dividends -018L -FH001Shanghai	12,261,478	0.25	0	No	0	Others
National Social Security Fund 403 Combination	10,884,351	0.22	0	No	0	Others
Taiping Life Insurance Co., Ltd.-Dividend-Group insurance dividends	10,505,042	0.21	0	No	0	Others
National Social Security Fund 407 Combination	9,807,173	0.20	0	No	0	Others
CCB Pension Steady and Value-added Hybrid	8,873,070	0.18	0	No	0	Others

Pension Products - CCBC						
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	2,267,169,423	A Shares	2,267,169,423			
HKSCC (Nominees) Limited	1,948,510,099	H Shares	1,948,510,099			
National Social Security Fund 102 Combination	24,499,961	A Shares	24,499,961			
Central Huijin Assets Management Co., Ltd.	19,355,100	A Shares	19,355,100			
Abu Dhabi Investment Authority	12,557,946	A Shares	12,557,946			
New China Life Insurance Co., Ltd. -Dividend - Group dividends -018L -FH001Shanghai	12,261,478	A Shares	12,261,478			
National Social Security Fund 403 Combination	10,884,351	A Shares	10,884,351			
Taiping Life Insurance Co., Ltd.-Dividend-Group insurance dividends	10,505,042	A Shares	10,505,042			
National Social Security Fund 407 Combination	9,807,173	A Shares	9,807,173			
CCB Pension Steady and Value-added Hybrid Pension Products—CCBC	8,873,070	A Shares	8,873,070			
Connected relationship or concerted-party relationship among the above Shareholders	As at 30 September 2018, one of Yankuang Group’s subsidiaries incorporated in Hong Kong holds 278 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	Not applicable					

Notes:

1. All the information above including “Total number of Shareholders” and “The top ten Shareholders and the top ten 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 Central 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.
3. As at 30 September 2018, Yankuang Group held a total of 2,267,169,423 A shares of the Company, including 1,950,662,151 A shares held by its own account, and 316,507,272 A shares held by the

guarantees and trust account opened by CITIC Securities Co., Ltd. and itself, which provides guarantees for the exchangeable corporate bonds issued by Yankuang Group.

4. In July 2018, Yankuang Group, via its wholly-owned subsidiary, Yankuang Group (Hong Kong) Co., Limited, increased its holding of the Company H shares by 97,989,000 shares, which resulted in Yankuang Group's holding of the Company H shares to 277,989,000 shares. As at 30 September 2018, Yankuang Group directly and indirectly holds 51.81% of the Company.

Substantial Shareholders' Interests and/or Short Positions in the Shares and Underlying Shares of the Company

As far as the Directors are aware, save as disclosed below, as at 30 September 2018, 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 Securities and Futures Ordinance ("SFO"); (ii) be recorded in the register to be kept pursuant to Section 336 of the SFO; or (iii) notify the Company and the Hong Kong Stock Exchange in other way.

Name of Substantial Shareholders	Class of Shares	Capacity	Number of Shares Held (share)	Nature of Interests	Percentage in the 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	2,267,169,423	Long position	-	46.16%
		Beneficial owner	316,507,272	Short position	-	6.44%
Yankuang Group (Note 1)	H Shares	Interest of controlled corporations	277,989,000	Long position	14.24%	5.66%
BNP Paribas Investment Partners SA	H Shares	Investment manager	117,641,207	Long position	6.03%	2.39%
BlackRock, Inc.	H Shares	Interest of controlled corporations	99,102,545	Long position	5.08%	2.02%
			260,000	Short position	0.01%	0.01%

Notes:

1. Yankuang Group's controlled 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 herein is based on the information available on the website of Hong Kong Stock Exchange at www.hkexnews.hk and information provided by China Securities Depository and Clearing Corporation Limited Shanghai Branch.

§2 Significant Matters

2.1 General Operating Performance of the Group

2.1.1 Major operating data of main products and services

Items	The third quarter			First three quarters		
	2018	2017	Increase/decrease(%)	2018	2017	Increase/decrease(%)
1. Coal business (kilotonne)						
Raw coal production	24,877	21,062	18.11	78,243	57,464	36.16
Saleable coal production	22,476	19,563	14.89	70,978	54,281	30.76
Sales volume of saleable coal	27,185	22,584	20.37	82,689	64,281	28.64
2. Railway transportation business (kilotonne)						
Transportation volume	4,986	3,328	49.82	15,419	9,969	54.67
3. Coal chemicals business (kilotonne)						
Methanol production	439	430	2.09	1,234	1,164	6.01
Methanol sales volume	446	432	3.24	1,240	1,149	7.92
4. Electrical power business (10,000kWh)						
Power generation	72,962	75,747	-3.68	213,870	197,063	8.53
Electricity sold	44,964	47,358	-5.06	131,119	119,638	9.60

Note: There are significant differences in the amounts of power generation and electricity sales volume of electrical power business in the above table, which were mainly due to the fact that the electrical power produced by the Group was to be sold externally after satisfying self-use demand.

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

1. Coal business

(1) Coal production

For the first three quarters of 2018, the raw coal production of the Group was 78.24 million tonnes, representing an increase of 20.78 million tonnes or 36.2% as compared with the corresponding period of

the previous year. The saleable coal production was 70.98 million tonnes, representing an increase of 16.70 million tonnes or 30.8% as compared with the corresponding period of the previous year.

The following table sets out the coal production of the Group for the first three quarters of 2018:

Unit: kilotonne

Items	The third quarter			First three quarters		
	2018	2017	Increase/ Decrease (%)	2018	2017	Increase/ Decrease (%)
I. Raw coal production	24,877	21,062	18.11	78,243	57,464	36.16
1. The Company	8,271	7,570	9.26	24,545	23,958	2.45
2. Shanxi Neng Hua ^①	457	182	151.10	1,317	1,046	25.91
3. Heze Neng Hua ^②	823	565	45.66	2,608	1,785	46.11
4. Ordos Neng Hua ^③	2,464	3,306	-25.47	10,354	7,613	36.00
5. Haosheng Coal ^④	661	1,510	-56.23	2,532	3,619	-30.04
6. Yancoal Australia ^⑤	10,532	6,126	71.92	32,150	14,026	129.22
7. Yancoal International ^⑥	1,670	1,803	-7.38	4,738	5,417	-12.53
II. Saleable coal production	22,476	19,563	14.89	70,978	54,281	30.76
1. The Company	8,271	7,569	9.27	24,540	23,941	2.50
2. Shanxi Neng Hua	456	182	150.55	1,304	1,028	26.85
3. Heze Neng Hua	821	558	47.13	2,600	1,762	47.56
4. Ordos Neng Hua	2,463	3,306	-25.50	10,342	7,613	35.85
5. Haosheng Coal	661	1,510	-56.23	2,532	3,619	-30.04
6. Yancoal Australia	8,213	4,855	69.17	25,197	11,366	121.69
7. Yancoal International	1,591	1,583	0.51	4,463	4,952	-9.87

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. In the first three quarters of 2018, the production volume of raw coal and sealable coal of Heze Neng Hua was increased as compared with the corresponding period of last year, which was mainly due to the fact that the coal production was restricted because of the impact from the geological conditions in the first half of 2017.
- ③ “Ordos Neng Hua” refers to Yanzhou Coal Ordos Neng Hua Company Limited. In the first three quarters of 2018, the production volume of raw coal and sealable coal of Ordos Neng Hua was increased as compared with the corresponding period of last year, which was mainly due to the fact that Yingpanhao Mine of Ordos Neng Hua was put into commercial operation in the second half of 2017.
- ④ “Haosheng Coal” refers to Inner Mongolia Haosheng Coal Mining Company Limited. In the first three quarters of 2018, the production volume of raw coal and sealable coal of Haosheng Coal was

decreased as compared with the corresponding period of last year, which was mainly due to the fact that the coal production of Shilawusu Mine, which belongs to Haosheng Coal, was restricted because of the impact from the safety and environmental policies.

⑤ “Yancoal Australia” refers to Yancoal Australia Limited. In the first three quarters of 2018, the production volume of raw coal and sealable coal of Yancoal Australia was increased as compared with the corresponding period of last year, which was mainly due to the fact that Moolarben underground mine of Yancoal Australia was put into commercial operation in the second half of 2017, and the production volume of Coal & Allied Industries Limited (“Coal & Allied”) was consolidated into the statements of Yancoal Australia in September 2017.

⑥ “Yancoal International” refers to Yancoal International (Holding) Co., Ltd.

(2) Coal prices and sales

The sales volume of saleable coal for the first three quarters of 2018 was 82.69 million tonnes, representing an increase of 18.41 million tonnes or 28.6% as compared with the corresponding period of last year.

The following table sets out the Group’s production and sales of saleable coal by coal types for the first three quarters of 2018:

	First three quarters of 2018			First three quarters of 2017		
	Coal production	Sales volume	Sales price	Coal production	Sales volume	Sales price
	(Kilotonne)	(Kilotonne)	(RMB/tonne)	(Kilotonne)	(Kilotonne)	(RMB/tonne)
I. The Company	24,540	24,597	588.65	23,941	23,757	588.06
No. 1 clean coal	536	546	876.23	104	101	891.74
No. 2 clean coal	6,078	6,463	823.15	7,160	7,237	768.87
No. 3 clean coal	2,023	1,964	643.58	1,770	1,900	624.31
Lump coal	1,616	1,716	699.50	1,704	1,741	646.61
Sub-total of clean coal	10,253	10,689	773.02	10,738	10,979	725.60
Screened raw coal	14,287	13,908	446.96	13,203	12,778	469.89
II. Shanxi Neng Hua	1,304	1,325	344.13	1,028	1,049	345.18
Screened raw coal	1,304	1,325	344.13	1,028	1,049	345.18
III. Heze Neng Hua	2,600	2,317	964.68	1,762	1,375	987.48
No. 2 clean coal	2,075	2,121	1014.80	1,548	1,375	987.48
Screened raw coal	525	196	421.52	214	–	–
IV. Ordos Neng Hua	10,342	9,651	256.43	7,613	6,639	235.53

Screened raw coal	10,342	9,651	256.43	7,613	6,639	235.53
V. Haosheng Coal	2,532	2,546	306.39	3,619	3,478	292.15
Screened raw coal	2,532	2,546	306.39	3,619	3,478	292.15
VI. Yancoal Australia	25,197	25,028	623.97	11,366	11,012	499.29
Semi-hard coking coal	52	52	943.31	175	169	686.03
Semi-soft coking coal	2,051	2,037	886.49	270	263	672.90
PCI coal	1,699	1,688	889.81	1,764	1,709	761.46
Thermal coal	21,395	21,251	576.91	9,157	8,871	440.08
VII. Yancoal International	4,463	4,472	405.87	4,952	4,879	324.06
Thermal coal	4,463	4,472	405.87	4,952	4,879	324.06
VIII. Traded coal	-	12,753	624.59	-	12,092	563.03
IX. Total for the Group	70,978	82,689	554.16	54,281	64,281	500.27

(3) Sales Cost of coal

For the first three quarters of 2018, the sales cost of coal business of the Group was RMB25.080 billion, representing an increase of RMB7.497 billion or 42.6% as compared with the corresponding period of last year, which was mainly due to that:

coal from the Group's mine projects located in Australia and China's Inner Mongolia Autonomous Region were increased as compared with the corresponding period of last year;

Group's traded coal was increased with the increase of coal prices.

① the production volume

② the sales costs of the

Items		Unit	First three quarters		
			2018	2017	Increase/decrease (%)
The Company	Total cost of sales	RMB million	6,091	5,614	8.50
	Cost of sales per tonne	RMB	247.01	234.75	5.22
Shanxi Neng Hua	Total cost of sales	RMB million	277	205	35.12
	Cost of sales per tonne	RMB	208.91	195.74	6.73
Heze Neng Hua	Total cost of sales	RMB million	1,041	626	66.29
	Cost of sales per tonne	RMB	392.83	402.09	-2.30
Ordos Neng Hua	Total cost of	RMB	1,618	822	96.84

	sales	million			
	Cost of sales per tonne	RMB	167.66	123.89	35.33
Haosheng Coal	Total cost of sales	RMB million	756	500	51.20
	Cost of sales per tonne	RMB	296.98	143.79	106.54
Yancoal Australia	Total cost of sales	RMB million	6,971	2,593	168.84
	Cost of sales per tonne	RMB	278.54	235.48	18.29
Yancoal International	Total cost of sales	RMB million	1,054	1,182	-10.83
	Cost of sales per tonne	RMB	235.72	242.38	-2.75
Traded coal	Total cost of sales	RMB million	7,639	6,686	14.25
	Cost of sales per tonne	RMB	599.01	552.94	8.33

Explanations for changes of sales cost per ton of Ordos Neng Hua:

①the cost of coal sales

increased by RMB28.45 as compared with the corresponding period of last year due to the increase of mine materials investments for supporting facilities and safety, environmental protection system for new commercially operated mines;

②the cost of coal sales per ton was increased

with the corresponding period of last year due to the increase of staff salaries. ③ the cost of coal sales per ton was increased by RMB8.73 as compared with the corresponding period of last year due to the increase of labor cost.

Explanations for changes of sales cost per ton of Haosheng Coal:

①the cost of coal sales per ton was

increased by RMB63.68 as compared with the corresponding period of last year due to the decrease of salable coal volume. ②the cost of coal sales per ton was increased by RMB48.65 as compared with the corresponding period of last year due to the increase of mine materials investments for supporting facilities and safety, environmental protection system for new commercially operated mines; ③the cost of coal sales per ton was increased by RMB7.54 as compared with the corresponding period of last year due to increase of employees; the cost of coal sales per ton was increased by RMB30.87 as compared with the corresponding period of last year due to the increase of labor cost.

2. Railway transportation business

For the first three quarters of 2018, the transportation volume of the Company's Railway Assets for coal transportation was 15.42 million tonnes, representing an increase of 5.45 million tonnes or 54.7% as compared with the corresponding period of last year, which was mainly due to that the group optimized

the flow of sales, so that railway coal transportation volume was increased during the reporting period. Therefore, the income from railway transportation business in the first three quarters was RMB318 million, representing an increase of RMB110 million or 52.7% as compared with the corresponding period of last year. The cost of railway transportation business was RMB121 million, representing an increase of RMB14.053 million or 13.1% as compared with the corresponding period of last year.

3. Coal chemicals business

The following table sets out the operation of methanol business of the Group for the first three quarters of 2018:

	Production of methanol (kilotonne)			Sales of methanol (kilotonne)		
	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)
1. Yulin Neng Hua	551	516	6.78	560	510	9.80
2. Ordos Neng Hua	683	648	5.40	680	639	6.42

Note: "Yulin Neng Hua" refers to Yanzhou Coal Yulin Neng Hua Company Limited.

	Sales income (RMB'000)			Sales cost (RMB'000)		
	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)
1. Yulin Neng Hua	1,209,650	933,666	29.56	774,459	752,193	2.96
2. Ordos Neng Hua	1,444,301	1,161,268	24.37	923,148	816,695	13.03

4. Electric power business

The following table sets out the operation of electric power business of the Group for the first three quarters of 2018:

	Power generation (10,000 kWh)			Electricity sales volume (10,000 kWh)		
	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)

1. Hua Ju Energy	66,759	62,587	6.67	20,082	20,592	-2.48
2. Yulin Neng Hua	23,487	21,807	7.70	1,856	1,383	34.20
3. Heze Neng Hua	123,624	112,669	9.72	109,181	97,663	11.79

	Sales income(RMB'000)			Sales cost (RMB'000)		
	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)
1. Hua Ju Energy	82,334	85,100	-3.25	68,981	67,980	1.47
2. Yulin Neng Hua	3,477	2,581	34.72	7,119	6,495	9.61
3. Heze Neng Hua	369,020	313,654	17.65	325,787	334,119	-2.49

Note: ① “**Hua Ju Energy**” refers to Shandong Hua Ju Energy Company Limited.

② During the reporting period, the sales volume and income of electricity products of Yulin Neng Hua was increased significantly, which was mainly due to the increase of electricity sales volume as compared with the corresponding period of last year.

5. Heat business

For the first three quarters of 2018, Hua Ju Energy generated heat energy of 1.04 million steam tonnes, of which 70 thousand steam tonnes were sold, with sales income of RMB15.917 million and sales cost of 7.874 million.

6. Electrical and mechanical equipment manufacturing business

For the first three quarters of 2018, the sales income and sales cost of the electrical and mechanical equipment manufacturing business of the Group were RMB163 million and RMB131 million respectively.

2.1.3 The operation of Yankuang Finance Company during the reporting period

Unit: RMB million

	First three quarters of 2018	First three quarters of 2017	Increase/decrease (%)
Operating revenue	266	172	54.65
Net profit	146	111	31.53
	30 September 2018	31 December 2017	Increase/decrease (%)
Net asset	1,437	1,728	-16.84
Total asset	14,851	12,672	17.20

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

	30 September 2018		31 December 2017		Increase/ decrease (%)
	(RMB million)	Percentage of total assets (%)	(RMB million)	Percentage of total assets (%)	
Prepayments	4,757	2.45	2,928	1.50	62.47
Inventory	5,190	2.67	4,032	2.07	28.72
Assets held for sale	281	0.14	3,124	1.60	-91.01
Available-for-sale financial assets	-	-	2,278	1.17	-100.00
Long-term equity investment	13,983	7.20	9,002	4.62	55.33
Accounts collected in advance	-	-	2,569	1.32	-100.00
Contractual liabilities	2,528	1.30	-	-	-
Other current liabilities	8,663	4.46	14,682	7.53	-41.00
Special reserves	2,699	1.39	2,063	1.06	30.83

Explanations for changes of prepayments: ① the prepaid trade payment of Zhongyan Trade Co., Ltd. of Qingdao Bonded Zone was increased by RMB1.261 billion; ② the advance payment of Duanxin Investment Holding (Shenzhen) Co., Ltd. was increased by RMB431 million.

Explanations for changes of inventory: ① the inventory of Yankuang Donghua Heavy Industry Company Limited and Yancoal Australia were increased by RMB737 million; ② the inventory of trade business was increased by RMB424 million.

Explanations for changes of assets held for sale: the Group sold 16.6% equity of the HVO Joint Venture.

Explanations for changes of available-for-sale financial assets: the financial assets available for sale were reclassified into other accounts under the new accounting standards.

Explanations for changes of long-term equity investment: the Group's equity in Zheshang Bank Co., Ltd. ("Zheshang Bank") was transferred into long-term equity investment accounting, resulting in the increase of long-term equity investment by RMB3.743 billion.

Explanations for changes of accounts collected in advance and contractual liabilities: the accounts

collected in advance were reclassified into contractual liabilities under the new accounting standards.

Explanations for changes of other current liabilities:

RMB7.5 billion of ultra short - term financing notes;
super short-term financing notes.

① in the first three qu

② the Company paid

Explanations for changes of special reserves: the Company's special reserve provision is more than the used amount.

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

	First three quarters of 2018 (RMB million)	First three quarters of 2017 (RMB million)	Increase/decrease (%)	Main reasons for change
Operating income	119,190	119,442	-0.21	-
Operating cost	95,521	103,339	-7.57	-
Sales expense	4,574	2,467	85.41	After merger of Yancoal Australia and Coal & Allies, the sales expenses were increased by RMB1.861 billion.
Financial costs	3,267	2,026	61.25	① the interest expense was increased by RMB974 million as compared with the corresponding period of last year; ② the interest income was increased by RMB172 million as compared with the corresponding period of last year; ③ the exchange gains/loss was increased by RMB365 million as compared with the corresponding period of last year; ④ the guarantee fee was increased by RMB156 million as compared with the corresponding period of last year.
Investment income	1,624	672	141.67	① the Group took a stake in Zheshang Bank, with an investment gains of RMB655 million; ② the Group took a stake in Inner Mongolia Yitai Zhundong Railway Co. LTD, with an

				investment gains of RMB125 million; ③ the Group jointly operated the Middlemount Mine Joint Venture, with the investment income of RMB123 million.
Income tax expense	3,523	1,512	133.00	The Group's income tax payable was increased as compared with the corresponding period of last year.

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

	First three quarters of 2018 (RMB million)	First three quarters of 2017 (RMB million)	Increase/decrease (%)	Main reasons for change
Net cash flows from operating activities	12,653	5,673	123.04	① Cash received from other operating-related activities increased by RMB6.112 billion compared with that of last year; ② Cash paid for purchase of goods and acceptance of services decreased by RMB8.287 billion as compared with that of last year; ③ Cash paid to and on behalf of staff increased by RMB2.984 billion as compared with that of last year; ④ Cash paid for other operating-related activities increased by RMB3.940 billion as compared with that of last year.
Net cash flows from investing activities	-2,481	-21,102	-	Net cash received from subsidiaries and other operating units decreased by RMB15.688 billion as compared with that of last year.
Net cash flows from financing activities	-9,326	21,902	-142.58	① Cash received from absorbing investments decreased by RMB13.271 billion as compared with that of last year. ② Cash received from obtaining borrowings decreased by RMB6.746 billion as compared with that of last year. ③ Cash paid for debt repayment increased by RMB10.54 billion as compared with that

				of last year. ④ Cash paid for dividends or profit allocation, or interest payment increased by RMB2.373 billion as compared with that of last year.
Net increase in cash and cash equivalents	1,247	6,401	-80.52	—

2.3 Progress and impact of significant events and analysis of resolutions

2.3.1 Litigation or Arbitration Events

Progress of litigation or arbitration events during the reporting period

1. The Arbitration Case between Inner Mongolia New Changjiang Mining Investment Co., Ltd. ("New Changjiang") and Yanzhou Coal

In April 2018, New Changjiang filed an arbitration application with China International Economic and Trade Arbitration Commission ("China Trade Arbitration") on the grounds that Yanzhou Coal violated the relevant equity transfer agreement between the two parties, requiring Yanzhou Coal to pay totally approximately RMB1.435 billion including the equity transfer price of RMB748.5 million, the corresponding liquidated damages of RMB656 million and the legal fees, arbitration fees and security fees involved in the case.

China Trade Arbitration has heard the case on 12 October 2018, but not decided yet. The Company is unable to accurately estimate the impact of the arbitration on the current profit or future profit.

For details, please refer to the announcement in relation to the arbitration dated 9 April 2018. 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. Financial loan contract dispute of Weihai Commercial Bank Co., LTD. ("Weihai Commercial Bank")

On 9 October 2015, citing the financial loan contract dispute, Weihai Commercial Bank sued to Jining Intermediate People's Court ("Jining Intermediate Court") against 8 defendants including Shandong Hengfeng Electric Power Fuel Co., Ltd. ("Hengfeng"), the Company and etc., requiring Hengfeng to perform payment obligations of principal RMB99.119 million and corresponding interest within scope of accounts payable due to that the Hengfeng made a pledge to the plaintiff through its accounts receivables of RMB103.42 million (suspected forgery) to Yanzhou Coal. Weihai Commercial Bank asked Yanzhou Coal to perform certain payable duty within the pledged amount.

Jining Intermediate Court heard the case in the first instance on 16 July 2018, and the Company received the judgment of the first instance from Jining Intermediate Court on 25 October 2018, ruling

that the Company should bear joint and several liability within the scope of the pledge of accounts receivable. In order to safeguard the legitimate rights and interests of the Company, the Company has appealed to Shandong Higher People's Court and it is unable to accurately estimate the impact of the litigation on the current profit or future profit.

For details, please refer to the announcement in relation to the litigation dated 23 March 2016. 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.

2.3.2 Major connected/related transactions

1. Connected/related transactions with Yankuang Group

(1) Acquisition of Blue Sky Clean Energy Co. Ltd (" Blue Sky Company ")

As reviewed and approved at the general manager's office meeting held on 30 July 2018, the Company acquired the 49% equity of Blue Sky Company with a price of RMB21.2878 million based on the evaluation value determined by the third-party evaluation report, among which, the Company acquired the 19% equity of Blue Sky Company held by Yankuang Technology Co., Ltd. with a price of RMB8.254 million, and acquired the 10% equity of Blue Sky Company held by Shandong Rongyu Jingu Venture Capital Co., Ltd. with a price of RMB4.344 million. Both of Yankuang Technology Co., Ltd. and Shandong Rongyu Jingu Venture Capital Co., Ltd. are the subsidiaries of Yankuang Group, the controlling shareholder of the Company. The equity acquisition transaction between the two companies constitutes a connected/related transaction.

After the acquisition, Blue Sky Company was the wholly-owned subsidiary of the Company.

(2) Blue Sky Company Acquiring the land use right of Yankuang Ke'ao Aluminum Co., Ltd. ("Ke'ao Aluminum")

As considered and reviewed at the general manager's office meeting of the Company held on 30 July 2018, the Company was approved to acquire the land use right of Ke'ao Aluminum with a price of RMB21.47 million based on the evaluation value determined by the third-party evaluation report. The size of the land is 91,382.6 m² with a maturity date of 20 February 2054.

(3) Transfer of equity of Shandong Zoucheng Jianxin Rural Bank Co., Ltd. ("Jianxin Bank")

As reviewed and approved at the general manager's office meeting held on 13 August 2018, the Company transferred the 4.5% equity of Jianxin Bank with a price of RMB4.968 million based on the evaluation value determined by the third-party evaluation report to Shandong Chuangyuan Property Management Services Co., Ltd. After the completion of the transfer, the Company's equity in Jianxin Bank will decrease to 4.5%.

2. Continuing Connected/Related Transactions Agreement with Glencore Coal Pty Ltd. and its subsidiaries ("Glencore Group")

(1) HVO Sales Contract

As reviewed at the 2018 second extraordinary general meeting held on 24 August 2018, Yancoal Australia was approved to sign the HVO Sales Contract and the maximum annual transaction amounts for each year from 2018 to 2020 with Glencore Group. The HVO Sales Contract stipulates that based on the total amount and the corresponding product quotas of each of the sales agreements, the transaction payment shall be paid to Yancoal Australia and Glencore Group by Yancoal Australia's subsidiary, Hunter Valley Coal Sales Company. Hunter Valley Coal Sales Company shall pay the transaction price to Yancoal Australia and Glencore Group within three business days after receiving the payment from customers.

In 2018, the estimated maximum annual transaction amount for entitled coal purchased by the Group from Glencore Group under HVO Sales Contracts is USD750 million.

(2) Coal Purchase Framework Agreement

As reviewed at the 2018 second extraordinary general meeting held on 24 August 2018, Yancoal Australia was approved to sign the Coal Purchase Framework Agreement and the maximum annual transaction amounts for each year from 2018 to 2020 with Glencore Group. The final transaction price adopted under the Coal Purchase Framework Agreement is finalized on the basis of fair negotiations and in accordance with normal commercial terms, with reference to the current market price of the relevant kinds of coal. The payment of the transaction amount is determined by both parties in accordance with international practice and the laws and regulations applicable to this agreement, and is specified in the specific coal sale and purchase agreement.

In 2018, the annual cap for coal purchased by the Group from Glencore Group under the Coal Purchase Framework Agreement is USD350 million from Glencore Group under the Coal Purchase Framework Agreement.

(3) HVO Services Agreement

As reviewed at the 2018 second extraordinary general meeting held on 24 August 2018, Yancoal Australia was approved to sign the HVO Services Agreement with Glencore Group and the maximum annual transaction amounts for each year from 2018 to 2020 contemplated thereunder. Pursuant to the agreement, Yancoal Australia's controlling subsidiary, Hunter Valley Operating Company, is required to pay to Glencore Group: (1) all costs and expenses incurred by Glencore Group in connection with the services provided by the Hunter Valley Joint Venture or the Hunter Valley Coal Sales Company; (2) all off-site costs and expenses incurred by Glencore Group to provide such services ("General Costs"). In determining the General Costs, in accordance with the principle of fairness and reasonableness, refer to all costs and expenses incurred by Glencore Group in the execution of similar services without a specific location. Both parties agree that after the end of each month, Glencore Group will provide a monthly invoice to Hunter Valley Operations Pty Ltd, and Hunter Valley Operations Pty Ltd must pay within five business days of receipt of the invoice.

In 2018, the estimated maximum annual transaction amounts for coal purchased by the Group from of the Group's purchase of services from Glencore Group is USD18 million.

For details, please refer to the announcement of resolutions passed at the sixteenth meeting of the seventh session of the Board of Directors and the announcement of connected transactions posted on 6 August 2018 and the announcement of resolutions passed at the 2018 second extraordinary general meeting held on 24 August 2018. 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, Shanghai Securities News and Securities Times.

3. Continuing Connected/Related Transactions Agreement with Sojitz Corporation ("Sojitz")

As reviewed at the 2018 second extraordinary general meeting held on 24 August 2018, it is approved that: (1) Yancoal Australia to sign the Yancoal Australia - Sojitz Coal Sales Framework Agreement and the annual caps for each year from 2018 to 2020 with Sojitz; (2) Syntech Holdings Co. Ltd. ("Syntech"), the Company's wholly-owned subsidiary to sign the Syntech - Sojitz Coal Sales Framework Agreement and the annual caps for each year from 2018 to 2020 with Sojitz. The final transaction price adopted under the above two agreements is finalized on the basis of fair negotiation and in accordance with normal commercial terms, with reference to the current market price of the relevant type of coal. The payment of the transaction amount is determined by both parties in accordance with international practice and the laws and regulations applicable to this agreement, and is specified in the specific coal sale and purchase agreement.

The annual caps for transactions under the above two agreements are USD100 million and USD150 million respectively, totaling USD250 million.

For details, please refer to the announcement of resolutions passed at the sixteenth meeting of the seventh session of the Board of Directors and the announcement of connected/related transactions posted on 6 August 2018 and the announcement of resolutions passed at the 2018 second extraordinary general meeting held on 24 August 2018. 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, Shanghai Securities News and Securities Times.

2.3.3 Other Significant Events

1. Capital increase of Haosheng Coal

As reviewed and approved at the eighteenth meeting of the seventh session of the Board held on 7 September 2018, the Company, Haosheng Coal and other qualified investment parties are allowed to enter into a Capital Increase Agreement of Inner Mongolia Haosheng Coal Mining Company Limited. Presently we are progressing this event, and the Company will fulfill the obligation of information disclosure in according with the regulations in the places of listing.

For details, please refer to the announcement of resolutions passed at the eighteenth meeting of the seventh session of the Board dated 7 September 2018. The above announcement was also posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website

and/or China Securities Journal, Shanghai Securities News and Securities Times.

2.Non-public issuance of A shares

As reviewed and approved at the 2017 second extraordinary general meeting, the 2017 third class meeting of holders of A Shares and the 2017 third class meeting of the holders of H Shares held on 25 August 2017, the Company will issue non-public A Shares in an amount not exceeding 647 million shares (including 647 million shares) to specific investors, and the aggregate fund raising will be an amount not exceeding RMB7 billion (the "Issuance"). The net proceeds after deduction of financing expenses will be used for the purchase of 100% equity of C&A.

According to the regulatory requirement of supervision department, combining the exchange rate of USD and market expectation, as considered and approved at the twelfth meeting of the seventh session of the Board of the Company held on 24 April 2018, the aggregate fund raising was changed to be an amount not exceeding RMB6.35 billion.

As reviewed and approved at the 2018 second extraordinary general meeting, the 2018 second class meeting of holders of A Shares and the 2018 second class meeting of the holders of H Shares held on 24 August 2018, the expiration date of the resolution of non-public issuance of A Shares was extended to 24 August 2019.

The Issuance is to be implemented upon the review and approval by CSRC.

For details, please refer to the announcements dated 31 March 2017, 28 April 2017, 29 June 2017, 25 August 2017 and 15 December 2017 in relation to the non-public issuance, respectively, the announcement in relation to "Notice of Acceptance of the Application for Administrative Permission" issued by the CSRC dated 27 December 2017, the announcement in relation to "Receipt of CSRC Notice of the First Feedback on the Review of Administrative Item" dated 9 February 2018 and related announcements dated 24 April 2018, 29 June 2018 and 24 August 2018, which were posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company's website and/or China Securities Journal, Shanghai Securities News and Securities Times.

3.Change of the principal place of business of the Company in Hong Kong

As considered and approved at the sixteenth meeting of the seventh session of the Board of the Company held on 6 August 2018, the principal place of business of the Company in Hong Kong has been changed to 40/F, Sunshine Center, 248 Queen's Road East, Wanchai, Hong Kong.

For details, please refer to the announcement in relation to resolution passed at the sixteenth meeting of the seventh session of the Board dated 6 August 2018, which were 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 and Securities Times.

4.Allotment of new shares of Yancoal Australia Limited and the listing of such shares on the ASX and/or the Hong Kong Stock Exchange

At the fifteenth meeting of the seventh session of the Board of the Company held on 29 June 2018, Yancoal Australia Ltd, a controlled overseas subsidiary of the Company, was approved to allot new shares and list them on the Australian Securities Exchange (the “ASX”) and/or the Hong Kong Stock Exchange (the “Offer”); to approve the Company to forego/renounce its entitlement to subscribe for any shares offered to it in the Offer; to authorize the chairman of the Company or its authorized representative to take full authority to deal with all the matters in relation to the Company in the Offer. On 27 September 2018, the offer completed hearing in the Hong Kong Stock Exchange and submitted post hearing information pack (PHIP) to the Hong Kong Stock Exchange on 1 October 2018. The Offer is still subject to the relevant approvals of the Hong Kong Stock Exchange and ASX.

For details, please refer to the announcement passed at the fifteenth meeting of the seventh session of the Board of the Company dated 29 June 2018, the indicative announcement in relation to Yancoal Australia applying on dual primary listing on the Hong Kong Stock Exchange dated 29 June 2018, and all relevant updated announcements dated on 1 October 2018 and 7 October 2018, which were posted on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company’s website and/or China Securities Journal, Shanghai Securities News and Securities Times.

5.Establishment of Xinyinlian Co. Ltd. by joint venture(“Xin Yinlian”)

As reviewed and approved at the general manager’s office meeting of the Company held on 16 July 2018, Yancoal International, a wholly-owned subsidiary of the Company, and Ronghui International Group jointly established Xinyinlian Co. Ltd.

The registered capital of Xinyinlian Co. Ltd. is USD60 million, of which, Yancoal International holds 51% with investment of USD30.6 million, and Ronghui International Group holds 49% with investment of USD29.4 million. Xinyinlian Co. Ltd is mainly engaged in international trade of bulk commodities in Singapore, including mineral ores, coal, coking coal, steel and non-ferrous metals.

6.Establishment of Yankuang (Hainan) Intelligent Logistics Science and Technology Co., Ltd (“Intelligent Logistics Company”)

As reviewed and approved at the general manager’s office meeting of the Company held on 25 September 2018, the Company established a joint venture Intelligent Logistics Company with China Hua Neng Group Fuels Co., Ltd (“Hua Neng Fuels”) and Shandong Taizhong E-Commerce Group Co., Ltd (Taizhong Group).

The registered capital of Intelligent Logistics Company is RMB100 million, of which, the Company holds 51% with investment of RMB51 million, Taizhong Group holds 39% with investment of RMB39 million, and Hua Neng Fuels holds 10% with investment of RMB10 million. Intelligent Logistics Company is mainly engaged in bonded warehousing, warehousing transportation, coal wholesale business, supply chain management and coal supply chain consulting services.

7.Establishment of Shandong Dongyue Tai Heng Development Co., Ltd (“Dongyue Tai Heng”)

As reviewed and approved at the general manager’s office meeting of the Company held on 25 September 2018, the Company established a joint venture Dongyue Tai Heng with Shanghai Dongming

Industrial Development Co., Ltd (“Shanghai Dongming”), Shandong Taishan Steel Group Co., Ltd (“Taishan Steel”) and Shanxi Liheng Steel Group Co., Ltd (“Liheng Steel”).

The registered capital of Dongyue Tai Heng is RMB500 million, of which the Company contributed RMB200 million for 40% share interests, Shanghai Dongming contributed RMB150 million for 30% share interests, Taishan Steel contributed RMB100 million for 20% share interest and Liheng Steel contributed RMB50 million for 10% share interests. Dongyue Tai Heng is mainly engaged in rebar processing, prefabricated construction, scrap steel processing, logistics distribution and other business.

2.4 Commitment Due but Not Fulfilled During the Reporting Period

Not applicable.

2.5 Warning or explanation on any estimated losses or signification changes in the aggregate net profit from the beginning of 2018 to the end of the next reporting period when compared with that of the corresponding period of last year

Not applicable.

§3 Directors

As at the date of this Report, the Directors of the Company are Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Wu Yuxiang, Mr. Guo Dechun, Mr. Zhao Qingchun and Mr. Guo Jun, and the independent non-executive Directors of the Company are Mr. Kong Xiangguo, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Qi Anbang.

Yanzhou Coal Mining Company Limited

Li Xiyong

Chairman of the Board

26 October 2018

Appendices

Consolidated Balance Sheet

30 September 2018

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 unaudited

ITEMS	As at 30 September 2018	Balance at the beginning of 2018
CURRENT ASSETS :		
Cash at bank and on hand	27,720,563	28,568,253
Provision of settlement fund		
Lending funds		
Financial assets at fair value through profit or loss		21,888
Tradable financial assets	134,819	
Derivative financial assets		
Notes receivables and accounts receivable	10,555,065	12,991,458
Prepayments	4,757,246	2,928,213
Premiums receivable		
Reinsurance accounts receivable		
Provision of cession receivable		
Other receivables	1,891,517	1,632,974
Recoursable financial asset acquired		
Inventories	5,190,040	4,031,895
Contract assets		
Held-to-sale assets	280,566	3,123,513
Non-current assets due within one year	3,513,926	2,838,908
Other current assets	10,605,573	10,001,769
TOTAL CURRENT ASSETS	64,649,315	66,138,871
NON-CURRENT ASSETS :		
Make loans and advances		
Available-for-sale financial assets		2,278,296
Creditors' investment	470,439	
Other creditors' investment		
Long-term accounts receivable	5,597,696	6,300,560
Long-term equity investments	13,982,952	9,002,448
Other equity instruments	34,671	
Other non-current financial assets	1,062,740	
Investment real estate	669	705
Fixed assets	43,229,443	45,364,639
Construction in progress	8,465,688	6,645,482
Productive biological assets		
Oil and gas assets		

Intangible assets	46,921,292	47,476,920
Development expenditure		
Goodwill	334,485	343,150
Long-term deferred expenses	28,004	29,554
Deferred income tax assets	7,311,880	8,935,492
Other non-current assets	2,154,350	2,371,174
TOTAL NON-CURRENT ASSETS	129,594,309	128,748,420
TOTAL ASSETS	194,243,624	194,887,291
CURRENT LIABILITIES:		
Short-term borrowings	13,229,086	10,339,530
Borrowings from the central bank		
Deposits from customers and interbank		
Loans from other banks		
Tradable financial liabilities		
Derivative financial liabilities		
Notes payable and accounts payable	8,676,959	9,666,452
Advances from customers		2,569,384
Liabilities of contract	2,528,186	
Financial assets sold for repurchase		
Charges and commissions payable		
Salaries and wages payable	1,209,397	1,330,758
Taxes payable	246,742	1,431,594
Other payables	18,360,765	16,490,159
Dividend payable for reinsurance		
Provision for insurance contracts		
Receiving from acting trading securities		
Receiving from acting underwriting securities		
Held-for-sale liabilities		341,293
Non-current liabilities due within one year	7,370,275	6,316,352
Other current liabilities	8,662,972	14,681,980
TOTAL CURRENT LIABILITIES	60,284,382	63,167,502
NON-CURRENT LIABILITIES:		
Long-term borrowings	31,478,676	31,542,621
Bonds payable	9,226,268	10,445,962
Including: Preferred shares		
Perpetual bonds		
Long-term payables	307,943	945,399
Long-term salaries and wages payable	352,986	521,873
Estimated liabilities	2,175,558	2,203,841
Deferred revenue	91,897	83,336
Deferred tax liabilities	7,970,474	8,680,517

Other non-current liabilities	475,863	14,874
TOTAL NON-CURRENT LIABILITIES	52,079,665	54,438,423
TOTAL LIABILITIES	112,364,047	117,605,925
SHAREHOLDERS' EQUITY (OR SHAREHOLDERS' INTEREST):		
Paid-in capital (or Share capital)	4,912,016	4,912,016
Other equity instruments	10,164,389	9,249,649
Including: preferred shares		
perpetual bonds	10,164,389	9,249,649
Capital reserves	1,239,028	1,246,583
Less: treasury stock		
Other comprehensive income	-6,550,129	-6,180,936
Surplus reserves	5,900,135	5,900,135
Special reserve	2,699,321	2,062,958
Provision for general risk		
Undistributed profit	41,115,937	37,748,767
Equity attributable to shareholders of the parent company	59,480,697	54,939,172
Minority interest	22,398,880	22,342,194
TOTAL OWNERSHIP INTEREST (OR SHAREHOLDERS' EQUITY INTEREST)	81,879,577	77,281,366
TOTAL LIABILITIES AND OWNERSHIP INTEREST (OR SHAREHOLDERS' EQUITY INTEREST)	194,243,624	194,887,291

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

Chief Financial Officer: Zhao Qingchun

Balance Sheet of the Parent Company

30 September 2018

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 unaudited

ITEMS	As at 30 September 2018	Balance at the beginning of 2018
CURRENT ASSETS :		
Cash at bank and on hand	14,659,903	14,967,083
Financial assets at fair value through profit or loss		21,888
Tradeable financial assets		
Derivative financial assets		
Notes receivable and accounts receivable	7,700,108	9,870,714
Advances	210,999	88,985
Other receivables	34,879,063	30,647,052
Inventories	522,773	529,071
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	2,606,968	2,606,968
TOTAL CURRENT ASSETS	60,579,814	58,731,761
NON-CURRENT ASSETS :		
Available-for-sale financial assets		424
Held-to-maturity investment		890,000
Equity investment		
Other equity investment		
Long-term accounts receivable		
Long-term equity investments	68,154,264	67,576,988
Other equity instruments investment	5,268	
Other non-current financial asset		
Investment real estate		
Fixed assets	7,202,090	7,893,722
Construction in progress	321,199	124,319
Productive biological materials		
Oil and gas assets		
Intangible assets	1,448,711	1,585,745
Development expenditure		

Goodwill		
Long-term deferred expenses	16	22
Deferred income tax assets	1,403,800	1,434,542
Other non-current assets	117,926	117,926
TOTAL NON-CURRENT ASSETS	78,653,274	79,623,688
TOTAL ASSETS	139,233,088	138,355,449
CURRENT LIABILITIES:		
Short-term borrowings	7,919,994	6,070,000
Tradable financial liabilities		
Derivative financial liabilities		
Notes payable and accounts payable	2,250,036	2,285,836
Advances from customers		951,634
Liabilities of contract	1,055,666	
Salaries and wages payable	514,832	482,357
Taxes payable	319,594	598,691
Other payables	10,937,099	11,114,324
Held-to-sale liabilities		
Non-current liabilities due within one year	15,423,908	3,216,682
Other current liabilities	8,353,659	14,337,646
TOTAL CURRENT LIABILITIES	46,774,788	39,057,170
NON-CURRENT LIABILITIES:		
Long-term borrowings	18,346,400	25,592,952
Bonds payable	8,512,704	8,958,642
Including: Preferred shares		
Perpetual bonds		
Long-term payables	1,559,450	2,254,907
Estimated liabilities		
Deferred earnings	45,375	52,124
Deferred income tax liabilities	84	5,556
Other non-current liabilities		
TOTAL NON-CURRENT LIABILITIES	28,464,013	36,864,181
TOTAL LIABILITIES	75,238,801	75,921,351
OWNERSHIP INTEREST (OR SHAREHOLDERS' EQUITY INTEREST):		
Paid-in capital (or share capital)	4,912,016	4,912,016
Other equity instruments	10,164,389	9,249,649
Including: preferred share		

perpetual bond	10,164,389	9,249,649
Capital reserves	1,391,452	1,427,452
Less: treasury stock		
Other comprehensive income	66,054	-18,359
Special reserve	2,127,399	1,609,552
Surplus reserves	5,855,025	5,855,025
Undistributed profits	39,477,952	39,398,763
TOTAL OWNERSHIP INTEREST (OR SHAREHOLDERS' EQUITY INTEREST)	63,994,287	62,434,098
TOTAL LIABILITIES AND OWNERSHIP INTEREST (OR SHAREHOLDERS' EQUITY INTEREST)	139,233,088	138,355,449

Legal Representative of the Company: Li Xiyong

Chief Financial Officer: Zhao Qingchun

Head of Finance Management Department: Xu Jian

Consolidated Income Statement

The first three quarters of 2018

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 unaudited

Items	The third quarter of 2018 (from July to September)	The third quarter of 2017 (from July to September)	The first three quarters of 2018 (from January to September)	The first three quarters of 2017 (from January to September)
1.TOTAL OPERATING INCOME	42,882,292	38,672,036	119,190,485	119,441,558
Including: Operating income	42,882,292	38,672,036	119,190,485	119,441,558
Interest income				
Premium earned				
Fees and commission income				
2.TOTAL OPERATING COST	40,069,106	36,809,819	109,887,099	113,428,542
Including: Operating cost	35,157,526	32,547,641	95,521,264	103,338,990
Interest expenses				
Fees and commission expenses				
Surrender value				
Net payments for insurance claims				
Net provision for insurance contract				
Policy dividend expenses				
Reinsurance costs				
Taxes and surcharges	566,503	445,840	1,870,388	1,550,320
Selling expenses	1,663,220	1,005,417	4,574,357	2,467,385
General and administrative expenses	1,346,846	2,526,617	4,502,837	3,988,585
Research and development expenses	14,499	19,961	58,465	61,355
Financial expenses	1,329,354	752,766	3,266,681	2,025,624
Including: Interest expenses	853,816	372,823	2,669,382	1,695,119
Interest income	337,005	165,609	714,900	542,645
Impairment loss of assets	1,821	44,293	6,237	-3,717
Impairment loss of credit	-10,663		86,870	
Add: Other income	5,762	3,301	16,289	10,658
Investment income(The loss is listed beginning with “-”)	373,574	243,063	1,624,367	671,759
Including: investment income from associates and joint ventures	342,958	262,689	1,196,482	585,847
Net exposure hedging income(The loss is listed beginning with “-”)				
Gain from change in fair value (The loss is listed beginning with “-”)	8,258	1	-183,096	9,843

Gains from disposal of assets(The loss is listed beginning with “-”)	-7,418	-9,806	354,341	-1,020
Exchange income(The loss is listed beginning with “-”)				
3.Operating profit (The loss is listed beginning with “-”)	3,193,362	2,098,776	11,115,287	6,704,256
Add : Non-operating income	65,604	292,885	309,720	474,727
Less: Non-operating expenses	302,222	20,297	399,238	38,275
4.Total profit (The total loss is listed beginning with “-”)	2,956,744	2,371,364	11,025,769	7,140,708
Less: Income tax	1,121,401	446,231	3,522,730	1,512,367
5.Net profit (The net loss is listed beginning with “-”)	1,835,343	1,925,133	7,503,039	5,628,341
(1) Classified by operation continuity				
①Net profit from continuing operation(The net loss is listed beginning with “-”)	1,835,343	1,925,133	7,503,039	5,628,341
②Net profit from discontinued operation(The net loss is listed beginning with “-”)				
(2) Classification by ownership				
①Net profit attributable to shareholders of the parent company	1,162,735	1,617,609	5,504,014	4,855,183
②Gains and losses of minority interest	520,552	68,827	1,543,985	323,450
③ Net profits attributable to holders of other equity instruments of the parent company	152,056	238,697	455,040	449,708
6.Net other comprehensive income after tax	977,159	760,143	-581,005	3,410,119
Net other comprehensive income after tax attributable to the shareholders of the parent company	855,893	685,864	-218,633	2,866,092
(1)Other comprehensive income, which will not be reclassified into the gains and losses	-8		-126	
①Remeasure the variation of defined benefit plans				
②Other comprehensive income from non- transferable gains and losses under equity method				
③Changes in fair value of investments in other equity instruments	-8		-126	

④Changes in the fair value of the enterprise's own credit risk				
(2)Other comprehensive income, which will be reclassified into the gains and losses	855,901	685,864	-218,507	2,866,092
①Other comprehensive income from transferable gains and losses under equity method	16,464	12,192	96,121	8,548
②Changes in fair value of other creditor investments				
③Financial assets reclassified to other comprehensive income				
④Provision for impairment of credit for Investment of other creditor rights				
⑤Cash flow hedging reserve	-146,376	-111,129	-308,088	1,118,495
⑥Translation balance of the foreign currency financial statements	985,813	762,864	-6,540	1,650,977
⑦Changes in fair value of financial assets available for sale		21,937		88,072
Net other comprehensive income after tax attributable to the minorities	121,266	74,279	-362,372	544,027
7.Total comprehensive income	2,812,502	2,685,276	6,922,034	9,038,460
Total comprehensive income attributable to shareholders of the parent company	2,018,628	2,303,473	5,285,381	7,721,275
Total comprehensive income attributable to holders of other equity instruments of the parent company	152,056	238,697	455,040	449,708
Total comprehensive income attributable to minority interest	641,818	143,106	1,181,613	867,477
8.Earnings per share				
(1) Basic earnings per share, RMB/share	0.2367	0.3293	1.1205	0.9884
(2) diluted Earnings per share, RMB/share	0.2367	0.3293	1.1205	0.9884

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

Chief Financial Officer: Zhao Qingchun

Income Statement of the Parent Company

From January to September of 2018

Prepared by: Yanzhou Coal Mining Company Limited

Unit : RMB'000 unaudited

Items	The third quarter of 2018 (from July to September)	The third quarter of 2017 (from July to September)	The first three quarters of 2018 (from January to September)	The first three quarters of 2017 (from January to September)
1. Operating income	5,953,536	5,701,415	18,364,996	17,371,122
Less: Operating cost	3,169,829	2,690,254	9,527,376	8,538,851
Taxes and surcharges	271,461	258,368	948,515	1,036,153
Selling expenses	113,496	80,306	309,117	209,464
General and administrative expenses	652,299	490,115	2,780,636	1,525,817
Research and development expenses	14,500	13,712	43,669	42,312
Financial expenses	1,023,553	801,049	2,519,220	2,099,504
Including: Interest expenses	836,707	756,136	2,400,810	2,073,506
Interest income	35,988	19,337	104,648	86,394
Impairment loss of assets		-11,800		-43,612
Impairment loss of credit	-11,434		-15,395	
Add: Other income	3,923	3,301	7,004	6,744
Investment income(The loss is listed beginning with “-”)	900,398	486,392	2,048,453	2,034,389
Including: investment income from associates and joint ventures	155,444	208,005	545,788	463,836
Net exposure hedging income(The loss is listed beginning with “-”)				
Gain from change in fair value (The loss is listed beginning with “-”)	-1,113		-28,623	
Gains from disposal of assets(The loss is listed beginning with “-”)	480		247	-1,592
2. Operating profit (The loss is listed beginning with “-”)	1,623,520	1,869,104	4,278,939	6,002,174
Add: Non-operating income	12,962	177,672	163,233	195,765
Less: Non-operating expenses	279,318	3,103	356,519	5,279
3. Total profit (The total loss is listed beginning with “-”)	1,357,164	2,043,673	4,085,653	6,192,660
Less: Income tax	482,108	390,742	1,197,489	1,291,667
4. Net profit (The net loss is listed beginning with “-”)	875,056	1,652,931	2,888,164	4,900,993
(1) Net profit from continuing operation(The net loss is listed beginning with “-”)	875,056	1,652,931	2,888,164	4,900,993

(2)Net profit from discontinued operation(The net loss is listed beginning with “-”)				
(3) Classification by ownership				
①Net profit attributable to shareholders of the parent company	723,000	1,414,234	2,433,124	4,451,285
②Net profits attributable to holders of other equity instruments of the parent company	152,056	238,697	455,040	449,708
5. Net other comprehensive income after tax	16,455	12,115	95,994	8,576
(1)Other comprehensive income, which will not be reclassified into the gains and losses	-9		-127	
①Remeasure the variation of defined benefit plans				
②Other comprehensive income from non-transferable gains and losses under equity method				
③Changes in fair value of investments in other equity instruments	-9		-127	
④Changes in the fair value of the enterprise's own credit risk				
(2) Other comprehensive income, which will be reclassified into the gains and losses	16,464	12,115	96,121	8,576
①Other comprehensive income from transferable gains and losses under equity method	16,464	12,192	96,121	8,548
②Changes in fair value of other creditor investments				
③Financial assets reclassified to other comprehensive income				
④Provision for Impairment of credit for investment of other creditor rights				
⑤Cash flow hedging reserve				
⑥Translation balance of the foreign currency financial statements				
⑦Changes in fair value of financial assets available for sale		-77		28
6.Total comprehensive income	891,511	1,665,046	2,984,158	4,909,569
Total comprehensive income attributable to shareholders of the parent company	739,455	1,426,349	2,529,118	4,459,861
Total comprehensive income attributable to holders of other equity instruments of the parent company	152,056	238,697	455,040	449,708
7. Earnings per share				
(1) Basic earnings per share, RMB/shares	0.1472	0.2879	0.4953	0.9062
(2) diluted Earnings per share, RMB/shares	0.1472	0.2879	0.4953	0.9062

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

Chief Financial Officer: Zhao Qingchun

Consolidated Cash Flow Statement

From January to September of 2018

Prepared by: Yanzhou Coal Mining Company
Limited

Unit: RMB'000 unaudited

Terms	The first three quarters of 2018 (from January to September)	The first three quarters of 2017 (from January to September)
1. CASH FLOW FROM OPERATING ACTIVITIES :		
Cash received from sales of goods or rendering of services	125,800,675	124,822,084
Net increase in customer's deposit and deposit of interbank		
Net increase in borrowing from the Central Bank		
Net increase in borrowing from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from the reinsurance businesses		
Net increase in insured savings and investment funds		
Net increase in dispose of financial assets measured at fair value and recorded as changes in current gains and losses		
Cash received from interest, charges and commissions		
Net increase in loans from other banks and other financial institutions		
Net increase in repurchase business funds		
Tax and charges refunded	468,721	663,677
Other cash received relating to operating activities	10,553,160	4,441,186
Sub-total of cash inflows	136,822,556	129,926,947
Cash paid for goods and services purchased	95,564,728	103,851,542
Net increase in customer loans and advance		
Net increase in deposits of central bank and interbank		

Cash paid for the indemnity under original insurance contract		
Cash paid for interest, charges and commissions		
Cash paid for policy dividend		
Cash paid to and on behalf of employees	8,761,849	5,777,598
Taxes and charges payments	7,800,729	6,522,526
Other cash paid relating to operating activities	12,042,171	8,102,046
Sub-total of cash outflows from operating activities	124,169,477	124,253,712
NET CASH FLOW FROM OPERATING ACTIVITIES	12,653,079	5,673,235
2. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Cash received from recovery of investments	1,126,289	590,361
Cash received from investments return	548,534	200,839
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,934,575	2,243
Net cash amount received from disposal of subsidiaries and other business units		
Cash received from other investment activities	1,797,991	394,242
Sub-total of cash inflows from investment activities	6,407,389	1,187,685
Cash paid to acquire fixed assets, intangible assets and other long-term assets	5,048,781	4,208,577
Cash paid for investments	3,366,500	1,275,436
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units	389,525	16,077,546
Other cash paid relating to investment activities	83,473	727,637
Sub-total of cash outflows from investment activities	8,888,279	22,289,196
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-2,480,890	-21,101,511
3. CASH FLOW FROM FINANCING ACTIVITIES:		
Cash received from investors	4,962,500	18,233,411
Including: Cash received from minority shareholders of subsidiaries		13,270,911

Cash received by issuing other equity instruments	4,962,500	4,962,500
Cash received from borrowings	27,110,162	33,855,695
Other cash received relating to financing activities	989,287	239,137
Sub-total of cash inflows from financing activities	33,061,949	52,328,243
Repayments of borrowings and debts	34,913,525	24,373,658
Cash paid for distribution of dividends or profits, or cash paid for interest expenses	6,013,202	3,639,825
Including: cash paid for distribution of dividends or profits by subsidiaries to minority shareholders	1,000,579	377,511
Other cash paid relating to financing activities	1,461,307	2,412,346
Sub-total of cash outflows from financing activities	42,388,034	30,425,829
NET CASH FLOW FROM FINANCING ACTIVITIES	-9,326,085	21,902,414
4. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	400,848	-73,365
5. NET INCREASE ON CASH AND CASH EQUIVALENTS	1,246,952	6,400,773
Add: Cash and cash equivalents, opening	21,073,256	17,371,525
6. Cash and cash equivalents, closing	22,320,208	23,772,298

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

Chief Financial Officer: Zhao Qingchun

Cash Flow Statement of the Parent Company

From January to September of 2018

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000 unaudited

Items	The first three quarters of 2018 (from January to September)	The first three quarters of 2017 (from January to September)
1. CASH FLOW FROM OPERATING ACTIVITIES :		
Cash received from sales of goods and rendering of services	20,726,025	17,622,203
Tax refunds		
Other cash received relating to operating activities	364,254	379,092
Sub-total of cash inflows	21,090,279	18,001,295
Cash paid for goods and services	5,886,506	4,367,944
Cash paid to and on behalf of employees	4,725,376	3,386,529
Taxes payments	4,739,234	5,002,179
Other cash paid relating to operating activities	1,957,275	2,027,669
Sub-total of cash outflows	17,308,391	14,784,321
NET CASH FLOW FROM OPERATING ACTIVITIES	3,781,888	3,216,974
2. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Cash received from recovery of investments	890,000	4,750,000
Cash received from investment return	738,835	739,899
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	596	
Net cash amount received from the disposal of subsidiaries and other business units		
Other cash received relating to investment activities	1,319,908	1,137,260
Sub-total of cash inflows	2,949,339	6,627,159
Cash paid to acquire fixed assets, intangible assets and other long-term assets	448,498	2,151,998
Cash paid for investments		6,378,940
Net cash paid for the acquisition of subsidiaries and other business units		
Other cash paid relating to investment activities	4,926,414	
Sub-total of cash outflows	5,374,912	8,530,938
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-2,425,573	-1,903,779
3. CASH FLOW FROM FINANCING ACTIVITIES:		
Cash received from investors	4,962,500	4,962,500
Cash received from borrowings	18,570,000	30,953,440
Cash received relating to other financing activities	4,408,987	

Sub-total of cash inflows	27,941,487	35,915,940
Repayments of borrowings and debts	21,500,630	21,338,725
Cash paid for distribution of dividends or profits, or cash paid for interest expenses	5,221,224	2,959,006
Other cash payment relating to financing activities	1,247,948	6,247,282
Sub-total of cash outflows	27,969,802	30,545,013
NET CASH FLOW FROM FINANCING ACTIVITIES	-28,315	5,370,927
4. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	15,557	-69,229
5. NET INCREASE ON CASH AND CASH EQUIVALENTS	1,343,557	6,614,893
Add: Cash and cash equivalents, opening	10,022,236	10,328,324
6. Cash and cash equivalents, closing	11,365,793	16,943,217

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

Chief Financial Officer: Zhao Qingchun