

克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: 1171)

Third Quarterly Report for the Year 2005

IMPORTANT

This announcement is made pursuant to the disclosure requirement under rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors (the "Board") and the Directors of Yanzhou Coal Mining Company Limited (the "Company") confirm that this announcement does not contain any false information, misleading statements or material omissions, and accept joint and several responsibility for the truthfulness, accuracy and

The Company's chairman, Mr. Wang Xin, chief financial officer, Mr. Wu Yuxiang, and chief of the planning and finance department, Mr. Zhang Baocai, confirm that the financial statements contained in the third quarterly report for the year 2005 (the "Report") are true and complete The financial statements of the Company set out in the Report have not been audited

Summary of the unaudited results for the third quarter ended 30th September, 2005:

- This Report is prepared in accordance with the Regulations on Disclosure of Information in Quarterly Reports for Listed Companies issued by China Securities Regulatory Commission.
- All financial information contained in this Report is prepared in accordance with the PRC Generally Accepted Accounting Principles. The Company has also provided the average coal sales price of the first three quarters of 2005 prepared on the same basis as its previous periodical reports as announced overseas. Please refer to the section headed "Brief analysis of general operating period". Shareholders of the Company and public investors should be aware of the different bases of calculation used in this Report and those in the interim and annual reports when trading in shares of the Company.
- Unless otherwise specified, the currency in this Report is denominated in Renminbi. In the third quarter of 2005, revenue from principal operations was RMB2,659.941 million, representing a decrease of RMB471.165 million or 17.1% as compared with the corresponding period last financial year. Realised net profit was RMB384.614 million, representing a decrease of RMB471.165 million or
- 55.17% as compared with the corresponding period last year During the first three quarters of 2005, revenue from principal operations was RMB9,336.586 million, representing an increase of RMB795.949 million or 9.3% as compared with the corresponding period last financial year. Realised net profit was RMB2,041.237 million, representing an increase of RMB795.949 million or 6.6% as compared with the corresponding period last financial year.
- The information contained in this Report is the same as that published on the Shanghai Stock Exchange, and this announcement is published simultaneously in the PRC and overseas.

The stock exchange on which the Company is listed	Shanghai Stock Exchange	The Stock Exchang of Hong Kong Limit	
Stock abbreviation Stock code	Yanzhou Mei Ye 600188	- 1171	- YZC
	Secretary of the Board of Directors		oresentative of curities Business
Contact address	Chen Guang Shui 298 Fushan South Road, 2 Shandong Province, PRC	Zoucheng,	
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1.2.1 Major financial statistics and indexes

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	At the end of this reporting period (unaudited)	At the end of last financial year (audited)	Increase/decrease (%)
Total assets (RMB) Shareholders' equity (excluding minority interest)	20,179,027,996	18,213,918,970	10.8
(RMB)	16,643,102,955	15,252,470,563	9.1
Net assets per share (RMB) Net assets per share after	3.38	3.10 (note 1)	9.1
adjustment (RMB)	3.37	3.09 (note 1)	9.1
	Reporting period (unaudited)	From the beginning of this year to the end of this reporting period (unaudited)	Increase/decrease (%) of this reporting period over the same period last year
Net cash flow from operating activities (RMB) Earnings per share (RMB) Return on net assets (%)	30,258,783 0.08 2.31	2,715,011,904 0.42 12.26	- 97.6 - 52.9 (note 2) decreased by 3.63 percentage
Weighted average return on net assets after deducting extraordinary gain and loss (%)	2.32	12.27	decreased by 4.27 percentage

- Note 1. Net assets per share at the end of the last financial year and net assets per share after adjustment are calculated on the basis of 4,918.4 million shares, being the total number of shares in issue at the end of this reporting period; if calculated on the basis of 3,074.0 million shares, being the total number of shares in issue at the end of the last reporting period, net assets per share at the end of last financial year and net assets per share after adjustment are RMB4.96 and RMB4.94 respectively.
- Note 2. Earnings per share of the corresponding period of the last financial year is RMB 0.17 which is calculated on the basis of 4,918.4 million shares in the total share capital of the Company as at the end of this reporting period; if calculated on the basis of 3,074.0 million shares in the total share capital of the Company as at 30 September 2004, earnings per share of the corresponding period of the last financial year is RMB0.28 per share.

Extraordinary gain and loss(For the nine months ended 30th September)	Amount (RMB) (unaudited)
Non-operating income Non-operating expenses Short-term investment return Impact on income tax	458,900 - 5,211,607 5,412,850 -1,643,968
Total	- 983,825

1.2.2 Statement of Income

Statement of Income

			Ur	nit: RMB Yuan
Item	(For the th	ree months September) The Company (Unaudited)	financial year	ng period last (For the three 30th September) The Company (Unaudited)
Revenue from principal operations Less: Cost of principal operations Sales taxes and surcharges Profit from principal operations	2,659,940,792	2,659,940,792	3,207,973,118	3,207,973,118
	1,413,968,362	1,413,968,362	1,167,092,934	1,167,129,796
	62,314,354	62,314,354	62,248,244	61,277,694
	1,183,658,076	1,183,658,076	1,978,631,940	1,979,565,628
Add: Profit from other operations	13,061,290	12,940,037	8,305,991	7,759,223
Less: Operating expenses	178,676,188	180,553,734	332,384,632	334,270,488
Administrative expenses	403,251,317	396,150,992	349,634,143	348,628,952
Financial expenses	42,280,973	44,941,381	433,072	444,981
Operating profit Add: Investment income Subsidy income	572,510,888	574,952,006	1,304,486,084	1,303,980,430
	6,221,862	3,495,241	7,319,075	7,542,150
Non-operating income Less: Non-operating expenses Total profits Less: Income taxes	181,604	176,604	650,108	650,108
	3,134,636	3,130,432	795,661	795,619
	575,779,718	575,493,419	1,311,659,606	1,311,377,069
	191,011,925	190.879,745	455,738,766	455,598,377
Minority interest Net profit	154,119 384,613,674	384,613,674	142,148 855,778,692	455,336,677 - 855,778,692

Statement of Income (Continued) Unit: RMB Yuan

			O1	iit. TiiviD Taaii
Item	of this repo (For the ni	ry to the end irting period ine months September) The Company (Unaudited)	last finar (For the ni	ding period ncial year ine months n September) The Company (Unaudited)
Revenue from principal operations	9.336.585.713	9.336.585.713	8.540.636.747	8.540.636.747
Less: Cost of principal operations	4,172,236,262	4,173,512,179	3,293,703,701	3,293,877,642
Sales taxes and surcharges	187,348,363	187,348,363	168,137,272	166,062,676
Profit from principal operations	4,977,001,088	4,975,725,171	5,078,795,774	5,080,696,429
Add: Profit from other operations	36,952,903	36,470,937	28,166,613	26,025,311
Less: Operating expenses	717,070,646	721,020,800	1,139,580,607	1,144,994,149
Administrative expenses	1,208,671,596	1,190,492,197	1,020,656,766	1,016,368,181
Financial expenses	37,856,588	37,925,853	(7,569,885)	(7,704,029)
Operating profit	3,050,355,161	3,062,757,258	2,954,294,899	2,953,063,439
Add: Investment income	9,040,516	(4,280,494)	13,201,946	13,793,690
Subsidy income	_			
Non-operating income	458,900	433,900	1,485,284	1,485,284
Less: Non-operating expenses	5,211,607	5,034,683	6,898,892	6,868,312
Total profits	3,054,642,970	3,053,875,981	2,962,083,237	2,961,474,101
Less: Income taxes	1,012,963,545	1,012,639,214	1,047,724,801	1,047,427,269
Minority interest	442,658	-	311,604	-
Net profit	2 041 236 767	2 041 236 767	1 914 046 832	1 914 046 832

1.3 Total number of shareholders and the top 10 shareholders with tradable shares of the

lotal number of shareholders at the end of	of this reporting period	46,350
The top 10 shareholders with t	radable shares of the Com	pany
Full Name of Shareholder	Number of tradable shares at the end of this reporting period	Classes of shares (A, B, H shares or others) held
HKSCC Nominees Limited	1,953,877,996	H shares
Zhongxin Classic Allocation		
Securities Investment Fund	14,000,000	A shares
Deutsche Bank Aktiengesellschaft	11,568,690	A shares
UBS Limited	9,479,478	A shares
Credit Suisse First Boston		
(Hong Kong) Limited	8,788,357	A shares
Lehman Brothers International (Europe)	8.500.194	A shares
Tongsheng Securities Investment Fund	6.528.669	A shares
Yangjiang Xizhilang Pudding	-,,-	
manufacturing Co., Ltd.	6.458.165	A shares
01 1 1 01 1 5 1 7	-,,	

5,970,618

A shares

A shares

Shanghai Baogang Group 2. MANAGEMENT DISCUSSION AND ANALYSIS

Shanghai Stock Exchange 50

Exchange Trading Open-End

Index Securities Investment Fund

Company at the end of this reporting period

2.1 Brief analysis of general operating performance during the reporting period

(1) Brief analysis of general operating performance during the reporting period During this reporting period, the Company's revenue from principal operations was RMB2,659.941 million, representing a decrease of RMB548.032 million or 17.1% as compared with the corresponding period in 2004. This was attributable to the decrease of coal sales, as a result of the decrease in raw coal production as compared with the corresponding period last year. The cost of principal operations was RMB1.413.968 million, representing an increase of RMB246.875 million or 21.2% over the corresponding period in 2004. This was mainly attributable to certain factors including the decrease in the rate of export tax rebate, the increase in raw material price, increased investment in employee's safety, the increase in employees' wages, the increase in expense caused "the Four Optimizations in Coal Sales" strategies of the Company which led to increased expenditures. Realised net profit was RMB384.614 million, representing a decrease of RMB471.165 million or 55.1% as compared with the corresponding period

During the reporting period, the Company's coal production was 7.36 million tonnes, representing a decrease of 3.18 million tonnes, or 30.2%, as compared with the corresponding period in 2004. The Company's salable coal production was 6.65 million tonnes, representing a decrease of 3.11 million tonnes, or 33.2%, as compared with the

corresponding period in 2004. The Company sold 6.81 million tonnes of coal, representing a decrease of 2.55 million or 27.2%, as compared with the corresponding period in 2004.

Coal transported by the railway assets was 4.36 million tonnes, representing a decrease of 2.32 million tonnes or 34.7%.

(2) Brief analysis of general operating performance in the first three quarters

During the first three quarters, the Company's revenue from principal operations was RMB9,336.586 million, representing an increase of RMB795.949 million or 9.3% over the corresponding period in 2004. Of the Company's revenue, income from the sales of coal was RMB9,208.384 million, representing an increase of RMB838.388 million or 10.0% as compared with the corresponding period last year, which was mainly attributable to a decreased revenue from the principal operations of RMB1,458.891 million due to the decrease in sales volume but an increased revenue from the principal operations of RMB2,297.279 million due to the increase in selling prices of coal Railway transportation service income (income realised from the freight expenses borne by customers for the volume of coal transported by the exclusive railway assets within the mining area) was RMB128.202 million, representing a decrease of RMB42.439 million or 24.9% as compared with the corresponding period in 2004.

The Company's cost of principal operations was RMB4,172.236 million, representing an increase of RMB878.533 million or 26.7% over the corresponding period in 2004. Of the Company's costs, cost of sales of coal products was RMB4,098.452 million, representing an increase of RMB868.173 million or 26.9% as compared with the corresponding period last year. The unit cost of coal sales was RMB174.77/tonne, representing an increase of RMB61.04/tonne or 53.7% as compared with the corresponding period last year, which was mainly attributable to (1) the decrease of 4.95 million tonnes in coal sales which caused an increase of RMB20.80 in the unit cost of coal sales; (2) the increase in expense of objective factors which caused an increase of RMB26.24 in the unit cost of coal sales, among others, an increase of RMB2.01 per tonne was caused by the decrease in the rate of export tax rebate, an increase of RMB5.80 per tonne was caused by the appropriation of Safety Work Expense and increased expense in employee safety investment, an increase of RMB3.64 per tonne was caused by the appropriation of Reform and Specific Development Fund; and an increase of RMB5.50 per tonne was caused by the increase of raw material price; an increase of RMB9.29 per tonne was caused by the increased compensation for land sink; (3) the increase in employee's wages caused an increase of RMB8.50 in the unit cost of coal sales: (4) the increase in expense which has been caused by "The Four Optimizations in Coal Sales" resulting in an increase of RMB5.60 in the unit cost of coal sales; and (5) the increased efforts in cost control by the Company which partly offset the impacts of the increase in cost.

The Company's realised profit from principal operations decreased by RMB101.795 million or 2.0% to RMB4,977.001 million as compared with the corresponding period in

The Company's realised net profit increased by RMB127.190 million or 6.6% to RMB2,041.237 million as compared with the corresponding period in 2004.

During the first three quarters, the Company's raw coal production was 25.81 million tonnes, representing a decrease of 4.54 million tonnes, or15.0%, as compared with the corresponding period in 2004. This was mainly due to the delay in resettlement of the villages located above the coal seams of the Company. In 2005, six of the villages located above the Company's coal seams have not been resettled in accordance with the removal schedule, resulting in abnormal production of six of the coal mining systems. It is estimated that two villages will complete the resettlement in the fourth quarter of 2005 and three coal mining systems will get back to normal production. The Company's coal production capacity in the fourth quarter of 2005 will return to the production level in the first half of 2005. Upon resettlement of the remaining four villages in the first quarter of 2006, the remaining three coal mining systems will return to normal production in the first quarter of 2006.

The Company's salable coal production was 23.85 million tonnes, representing a decrease of 4.74 million tonnes, or 16.6%, as compared with the corresponding period in 2004

The Company sold 23.45 million tonnes of coal, representing a decrease of 4.95 million or 17.4%, as compared with the corresponding period in 2004 mainly due to the decrease of raw coal production of the first three quarters. Of the coal sold, 18.04 million tonnes of coal were sold to the domestic market, representing a decrease of 2.72 million tonnes or 13.1%, as compared with the corresponding period in 2004; and 5.41 million tonnes were sold to the overseas market, representing a decrease of 2.23 million or 29.2%, as compared with the corresponding period in 2004.

Coal transported by the railway assets of the Company was 15.34 million tonnes, representing a decrease of 4.48 million tonnes or 22.6%

(3) Average coal sales price analysis of the first three quarters

Domestic sales

Export sales

The following table sets out average coal sales price calculated on the same basis as its previous periodical reports announced in the PRC during the first three quarters:

Unit: RMB/tonne Year 2005 Year 2004 For the yea The first The first ended 31st The third The third December quarters quarter quarters 2004 Average coal sales price 385.65 392.66 344.73 362.74 292.54 262.17 286.06 507.80 492.46 439.29

During the first three quarters, the Company's average coal sales price was MB392.66/tonne, representing an increase of RMB97.96/tonne or 33.2% as compared with the same period in 2004. Of the average coal sales price, the average domestic oral sales price was RMB362.74/tonne, representing an increase of RMB100.57/tonne or 38.4% as compared with the corresponding period in 2004; and the average export coal sales price was RMB492.46/tonne, representing an increase of RMB109.32/tonne or 28.5% as compared with the same period in 2004. The increase in coal price was principally due to the increase in the domestic and overseas coal market prices and the optimization of product mix and customer structures upon the implementation of the Company's "The Four Optimizations in Coal Sales" strategies, leading to an increased

In the third quarter, the Company's average coal sales price was RMB385.65/tonne. representing a decrease of RMB9.88/tonne or 2.5% as compared with the price of RMB395.53/tonne of the first half of 2005 mainly due to the decrease in coal price for domestic market of the third quarter.

The following table sets out the Company's average coal sales prices calculated on the same basis as its previous periodical reports announced overseas during the first three

quaiters.					
				Unit:	RMB/tonne
	Year	2005	Year	2004	For the year
	The third quarter	The first three quarters	The third quarter	The first three quarters	ended 31st December 2004
Average coal sales price (note) Domestic sales	352.32 326.93	356.41 343.96	295.84 277.00	250.40 240.60	272.45 264.65
Evnort sales	428 12	397 92	339.75	277 05	294 26

The average coal sales price represents the invoice prices minus sale taxes, transportation costs from the Company to ports, port charges and miscellaneous fees for coal sales.

The average coal sales price has considered the impact of such factors as the merger of Yanmei Shipping Company Limited, and the prices of the third quarter of 2004, and the first three quarters of 2004 disclosed in the periodical reports has been adjusted

As calculated in accordance with the basis reflected in the Company's previous periodical reports and as announced overseas, the average coal sales price in the first three quarter of 2005 was RMB356.41/tonne, representing an increase of RMB106.01/ tonne or 42.3% as compared with the corresponding period last year. Of the average coal sales price, the average domestic coal sales price was RMB343.96/tonne representing an increase of RMB103.36/tonne or43.0% as compared with the corresponding period last year; and average export coal sales price was RMB397.92/tonne, representing an increase of RMB120.87/tonne or 43.6% as compared with the corresponding period last year.

211 Information on principal operations or products which contributed 10% or more to the revenue from principal operations or profit from principal operations

☐ Not applicable Revenue from Cost of principal principal operations operations Industries/products (RMB thousand) (RMB thousand) Gross profit ratio (Unaudited) (Unaudited) Coal mining & preparation 2.627.010 1.391.228 47.04 Including: connected transactions 61,842 46.50 115,592

2.1.2 Seasonal or periodical factors for the Company's operation

☐ Applicable

2.1.3 Breakdown of profits for the reporting period (material changes in the proportion of the total profits of the following items as compared with the previous reported period and the reasons thereof: profit from principal operations, profit from other operations, expenses, investment income, subsidy income and net non-operating income and expenses)

□ N1-4

			lı	relation to profit (%)	
	This reporting period(RMB thousand) (Unaudited)	For the financial year ended 31st December, 2004 (RMB thousand) (Unaudited)	This reporting period	For the financial year ended 31st December, 2004	Increase/ decrease (%)
Profit from principal operations	1,183,658	3,793,343	205.57	153.03	34.33
Profit from other operations	13,061	23,892	2.27	0.96	136.46
Expenses	624,208	1,339,390	108.41	54.03	100.65
Investment income	6,222	2,819	1.08	0.11	881.82
Net non-operating income					
and expenses	- 2,953	- 1,800	- 0.51	- 0.07	628.57
Total profits	575,780	2,478,863	100.00	100.00	0.00

total profits of the Company increased from 153.03% to 205.57% and from 0.96% to 2.27% respectively as compared with the previous reporting period. This was mainly because the decrease in raw coal production caused the decrease in both the profit from principal operations and total profits, but at the same time profit from other operations and expenses were stable, resulting in a larger decrease in total profit than the decrease in profi from principal operations.

The proportion of expense to the total profits of the Company increased respectively from 54.03% to 108.41% as compared with the previous reporting period. This was mainly due to a greater decrease in total profit of the reporting period which the expense during the reporting period was relatively stable.

During this reporting period, the proportion of investment income to the total profit of the Company increased from 0.11% to 1.08% as compared with the previous reporting period. This was mainly due to the substantial decrease in total profits and the distribution of cash dividends in the amount of RMB4,465 million by Shenneng Company Limited during this reporting period.

During this reporting period, the proportion of net non-operating income and expenses (net expenses) to the total profit of the Company increased from 0.07% to 0.51% as compared with the previous reporting period. This was mainly due to the substantial decrease in total profits of the Company during this reporting period compared with the corresponding period of last year.

2.1.4 Details and explanation on material changes in the principal operations and its composition as compared with the previous reporting period

☐ Applicable ☑ Not applicable

2.1.5 Details and explanation on material changes in the profit generating ability (gross profit margin) of the principal operations as compared with the previous reporting period

☑ Applicable □ Not applicable During this reporting period, the gross profit margin of the Company decreased from 58.88% to 47.04%, representing a decrease by 11.84% or a decrease of 20.1% as compared with the gross profit margin in the previous reporting period mainly due to (1) average coal sales price of this reporting period decreased by RMB9.88/tonne or 2.5% as compared with the corresponding period last year; (2) the unit coal sales cost of this reporting period increased by RMB41.61/tonne or 25.6% as compared with the corresponding period last year.

2.2 Major events and their impact and analysis on the solutions ☐ Not applicable

Acquisition of Equity Interest of Heze Neng Hua

For the purposes of obtaining additional reserve coal resources, enhancing profitability, and further implementing the non-competition undertakings and the undertakings by Yankuang Group, the Parent Company, relating to the exploitation of coal resources in Juye coalfield at the time of the listing of the Company, the Company commenced the process to acquire 95.67% equity interest in Yankuang Heze Power Chemical Company Limited (now renamed

as Yanmei Heze Neng Hua ("Heze Nenghua")) owned by the Parent Company. On 19th August, 2005, the first extraordinary general meeting of the Company in 2005 was held, in which the "Equity Transfer Agreement Between Yankuang Group Company Limited and Yanzhou Coal Miing Company Limited", the "Supplemental Equity Transfer Agreement Between Yankuang Group Company Limited and Yanzhou Coal Mining Company Limited" (the "Supplemental Agreement") and the relevant arrangements for down payment of the equity transfer were approved

The Company and the Parent Company are undergoing the relevant procedures for transfer of domestic state-owned property rights and will make appropriate announcement when the procedures for the transfer of the equity-interest of Heze Nenghua is completed.

Entrusted Ioan

In December 2004, the Company made an entrusted loan of RMB640 million to Shandong Xin Jia Industrial Company Limited ("Shandong Xin Jia") through the Bank of China Jining Branch (the "Entrusted Loan"), which was secured by a guarantee provided by Lianda Group Limited ("Lianda Group"). To control and avoid risk and to ensure repayment of the principal and interest of the Entrusted Loan, the Company applied and obtained an order from the People's High Court of Shandong Province to freeze the 289 million shares held by Lianda Group, the guarantor, in Huaxia Bank Company Limited (the "Pledged Shares").

Since Shandong Xin Jia failed to duly repay the principal and interest of the Entrusted Loan, the Higher People's Court of Shandong Province appointed Shandong Yinxing Auction Company Limited to auction the Pledged Shares in accordance with the relevant laws on 6 September 2005. The final auction price is RMB3.5 per Pledged Share and total final auction amount is RMB 1.011.5 million.

According to the agreement in relation to the Entrusted Loan (the "Agreement") entered into among the Company, the Bank of China Jining Branch, Shandong Xin Jia Industrial Company Limited and Lianda Group Limited, any tax payable and expenses arising from the execution and enforcement of the Agreement and the disputes relating to the Agreement shall be payable or reimbursed by the borrower. The balance of the total final auction amount of the Pledged Shares after deducting the principal, interest, penalty interest and other relevant expenses payable to the Company, will be dealt with by the relevant parties.

The successful bidder of the Pledged Shares will pay the auction amount after the qualification approval procedures of China Banking Regulatory Commission and the transfer procedures of the Pledged Shares have been completed. The auction amount will be administered by the People's High Court of Shandong Province. After the completion of the legal procedures, the Company will get back the principal, interest, penalty interest and relevant expenses of the Entrusted Loan and upon which the Company will timely publish an announcement. As at the date of this announcement, such legal procedures still have not been completed yet

On-going connected transactions during the reporting period

(1) On-going connected transactions of the Company are mainly the on-going supplies of materials and services between the Company and the Parent Company including affiliated companies of the Parent Company.

The Materials and Services Supply Agreement, its Supplemental Agreement (both entered into between the Company and the Parent Company) and its Second Supplement Agreement define the on-going supplies of materials and services between the Company and the Parent Company. Payment of such supplies can be made either in one payment or by several instalment payments. The prices of such transactions are determined according to the following methods: price determined by the State; if there is no State determined price, then the applicable price shall be the market price; if there is neither State determined price nor market price, the applicable price shall be the actual cost. The total value of coal sales and materials supplied by the Company to the Parent

Company during the report period was RMB255.721 million; and total value of the maintenance services and engineering services provided by the Parent Company to the Company during the report period is RMB285.529 million. The following table sets out the impact of services and material supplies by the

Company to the Parent Company on the Company's profit: Revenue from Cost of principal

principal operations (RMB thousand) operations (RMB thousand) **Gross profit** (RMB thousand) Coal and services provided by the Company to the Parent Company 61,842 115.592 53.750 (2) According to the agreement between the Company and the Parent Company, the employees' pensions and medical welfare fund of the Company are paid by the Company to the relevant administrative authorities through the Parent Company. During the reporting period, the Company paid a total sum of RMB171.188 million employees pensions and medical welfare.

(3) Comparison of On-going connected transactions to the previous plan during the

Classes of connect trans	Total plan of 2005 action (RMB thousand)	quarter 2005	Amount first three qua	
Materials and services the Company to the Pa Sales of product Materials and services Parent Company to the	arent Company 1,339,509 provided by	255,721	886,754	66.20%
Purchase of Raw mate Purchase of fuel and p Acceptance of service Payment of employees the expenses of reti through the Parent C	rial 500,000 sower 354,180 s 707,971 s' pensions and rement benefits	86,373 131,798	236,784 260,994 326,642 362,836	47.36% 73.69% 46.14% 82.95%
•	or changes in accounting p		,	

of consolidation and significant accounting errors ☐ Applicable

2.4 Explanations made by the Board and the Supervisory Committee under the situation that an audit report with non-standard opinion was issued ☐ Applicable

2.5 Caution and explanations for possible loss or material changes in net profit in the period from the beginning of this year to the end of the next reporting period as compared with the same period last year ☐ Applicable ☑ Not applicable

2.6 Subsequent changes on those already disclosed annual business plan or budget of the Company

☐ Applicable ☑ Not applicable

3. DIRECTORS

As at the date of this announcement, the Directors of the Company are Mr. Wang Xin, Mr. Geng Jiahua, Mr. Yang Deyu, Mr. Shi Xuerang, Mr. Chen Changchun, Mr. Wu Yuxiang, Mr. Wang Xinkun, Mr. Chen Guangshui and Mr. Dong Yunqing and the independent non-executive Directors of the Company are Mr. Pu Hongjiu, Mr. Cui Jianmin, Mr. Wang Xiaojun and Mr. Wang Quanxi. The full versions of the Company's balance sheet, income statement and cash flow statement for the third quarter of 2005 are published on the website of The Stock Exchange of Hong Kong Limited at http://www.hkex.com.hk and Shanghai Stock Exchange at http://www.sse.com.cn.

> By order of the Board of Directors of Yanzhou Coal Mining Company Limited Wang Xin Chairman of the Board

Shandong Province, PRC, 26th October, 2005