

WBR ARTICLE

Peabody Coal profits drop in fourth quarter

By Staff

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ST. LOUIS — Peabody Coal reported Tuesday that its profits fell 68 percent in the fourth quarter of 2009. Nevertheless, the coal giant expressed optimism that coal prices will rise by the second quarter of 2010.

According to the company, revenue totaled \$6.01 billion on sales of 243.6 million tons. Income from continuing operations, including the non-cash expense from currency-driven remeasurement of foreign income taxes, was \$457.9 million. Adjusted income from continuing operations, excluding the tax remeasurement expense, totaled \$532.3 million. Diluted earnings per share from continuing operations, including the non-cash expense from currency-driven remeasurement of foreign taxes, was \$1.64. Adjusted earnings per share reached \$1.92.

"The strength of Peabody's global platform and strategies allowed us to deliver the second best year in our history in the face of a severe recession," said Peabody Energy Chairman and Chief Executive Officer Gregory H. Boyce. "Our near-term focus remains serving the high-growth Pacific markets as we expand our Australian volumes and global trading activities."

Peabody noted that profit dropped to \$92.2 million, or 34 cents a share, from \$293.1 million, or \$1.09 a share in the year-ago period.

2009 sales volumes totaled 243.6 million tons compared with 255.0 million tons in 2008, reflecting planned Powder River Basin (PRB) reductions partly offset by higher Midwestern volumes and the full operation of the low-cost El Segundo Mine in the Southwest.

On the Web: www.peabodyenergy.com