

Comps Sheet
FINANCIAL DATA

(\$ in millions)

| Company Name | LTM Period | LTM | | | | | EBITDA Margin | 2008 EBITDA | 2009 EBITDA | 2010 EBITDA | TEV / EBITDA 08 | TEV / EBITDA 09 | TEV / EBITDA 10 | TEV / EV/ EBITDA | - CAPEX |
|-------------------------------|---------------|----------------|----------------|--------------|--------------|--------------|------------------|----------------|----------------|----------------|--------------------|--------------------|--------------------|---------------------|---------|
| | | EV | Sales | EBITDA | CapEx | EBITDA | | | | | | | | | |
| Peabody Energy Corp. | 12/31/08 | \$10,429.3 | \$6,593.4 | \$1,726.2 | \$464.4 | 26.2% | \$1,726.2 | \$1,819.6 | \$2,035.7 | 6.0x | 6.0x | 5.7x | 5.1x | 8.3x | |
| CONSOL Energy Inc. | 12/31/08 | 6,729.2 | 4,588.2 | 1,042.5 | 1,061.7 | 22.7% | 1,042.5 | n/a | n/a | 6.5x | 6.5x | n/a | n/a | (351.7x) | |
| Arch Coal Inc. | 12/31/08 | 3,451.9 | 2,983.8 | 753.0 | 497.3 | 25.2% | 753.0 | 819.0 | 992.1 | 4.6x | 4.6x | 4.2x | 3.5x | 13.5x | |
| Alpha Natural Resources Inc. | 12/31/08 | 1,329.6 | 2,554.1 | 393.1 | 137.8 | 15.4% | 393.1 | 501.2 | 415.9 | 3.4x | 3.4x | 2.7x | 3.2x | 5.2x | |
| Massey Energy Co. | 12/31/08 | 1,886.2 | 2,954.4 | 617.6 | 736.5 | 20.9% | 617.6 | n/a | n/a | 3.1x | 3.1x | n/a | n/a | (15.9x) | |
| Foundation Coal Holdings Inc. | 12/31/08 | 1,311.5 | 1,688.6 | 288.4 | 156.9 | 17.1% | 288.4 | 416.4 | 450.7 | 4.5x | 4.5x | 3.1x | 2.9x | 10.0x | |
| James River Coal Co. | 12/31/08 | 553.9 | 568.5 | 8.4 | 74.7 | 1.5% | 8.4 | 202.1 | 203.5 | 66.0x | 66.0x | 2.7x | 2.7x | (8.4x) | |
| Patriot Coal Corporation | 12/31/08 | 566.1 | 1,645.2 | 258.1 | 121.4 | 15.7% | 258.1 | 160.1 | 301.5 | 2.2x | 2.2x | 3.5x | 1.9x | 4.1x | |
| Mean | | 3,282.2 | 2,947.0 | 635.9 | 406.3 | 18.1% | 635.9 | 653.1 | 733.2 | 12.0x | 12.0x | 3.7x | 3.2x | (41.9x) | |

OPERATIONAL DATA

(\$ in millions, tons sold in mms, reserves in bns)

| Company Name | 2007 Tons Sold (mms) | Proven + Probable Reserves (Mns) | # Mines | % Sulphur Below | | | 2007 \$/ ton | 2007 cost / ton | % Under ground | Non-Coal Rev | Geographic Distribution (by tons) | | | | | | |
|-------------------------------|----------------------------|---|------------|--------------------|---------------------|----------------|-----------------|--------------------|----------------------|-----------------|-----------------------------------|------------|-----------|-----------|-----------------|-------------------|-------|
| | | | | % Met Coal | 1.2lbs per MMBTU | % EBITDA | | | | | PRB | NAPP | CAPP | Australia | Non-PRB West | Illinois Basin | Other |
| Peabody Energy Corp. | 237.8 | 9,301.0 | 31 | 4% | 76% | n.a. | n.a. | 40.4% | 8.0% | 59% | 0% | 0% | 9% | 9% | 13% | 10% | |
| CONSOL Energy Inc. | 64.8 | 1,683.0 | 17 | 11% | 13% | \$40.60 | \$26.01 | 96.0% | 19.4% | 0% | 81% | 16% | 0% | 3% | 0% | 0% | |
| Arch Coal Inc. | 125.4 | 1,900.0 | 18 | 1% | 91% | \$17.88 | \$14.01 | 20.0% | 0.0% | 76% | 0% | 9% | 0% | 15% | 0% | 0% | |
| Alpha Natural Resources Inc. | 28.5 | 617.5 | 32 | 42% | 56% | \$57.43 | \$47.45 | 56.0% | 0.0% | 0 | 13% | 87% | 0% | 0% | 0% | 0% | |
| Massey Energy Co. | 39.9 | 2,300.0 | 47 | 21% | n.a. | \$51.55 | \$43.10 | 74.5% | 4.1% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | |
| Foundation Coal Holdings Inc. | 73.6 | 1,600.0 | 13 | 3% | n.a. | \$19.74 | \$15.37 | 70.1% | 0.0% | 70% | 18% | 12% | 0% | 0% | 0% | 0% | |
| James River Coal Co. | 12.1 | 267.9 | 26 | n.a. | n.a. | \$42.52 | \$39.18 | 66.0% | 0.8% | 0% | 0% | 74% | 0% | 26% | 0% | 0% | |
| Patriot Coal Corporation | 22.1 | 1,300.0 | 10 | 23% | 16% | \$41.12 | n.a. | 97.3% | 0.0% | 0% | 19% | 47% | 0% | 0% | 35% | 0% | |
| Mean | 75.5 | 2,371.2 | 24 | 15% | 51% | \$38.69 | \$30.85 | 65.0% | 4.0% | 26% | 16% | 43% | 1% | 7% | 6% | 1% | |

CAPITAL STRUCTURE DATA

(\$ in millions)

| Company Name | Stock Price | MarketCap | Cash | Debt | Debt / 08 EBITDA | Revolver & A/R Securit Capacity | Total Liquidity |
|-------------------------------|----------------|----------------|--------------|----------------|---------------------|---------------------------------------|--------------------|
| Peabody Energy Corp. | \$28.88 | \$7,721.4 | \$449.7 | \$3,156.2 | 1.8x | 1,500.0 | 1,949.7 |
| CONSOL Energy Inc. | 31.05 | 5,607.1 | 138.5 | 1,048.5 | 1.0x | 530.0 | 668.5 |
| Arch Coal Inc. | 15.47 | 2,210.1 | 70.6 | 1,312.4 | 1.7x | 620.0 | 690.6 |
| Alpha Natural Resources Inc. | 20.69 | 1,466.6 | 676.2 | 539.1 | 1.4x | 289.8 | 966.0 |
| Massey Energy Co. | 12.48 | 1,067.0 | 607.0 | 1,465.6 | 2.4x | 101.2 | 708.2 |
| Foundation Coal Holdings Inc. | 16.92 | 754.0 | 42.3 | 599.8 | 2.1x | 330.8 | 373.1 |
| James River Coal Co. | 14.21 | 389.3 | 3.3 | 168.0 | 20.0x | 15.0 | 18.3 |
| Patriot Coal Corporation | 4.15 | 324.3 | 2.9 | 244.7 | 0.9x | 166.0 | 168.9 |
| Mean | | 2,442.5 | 248.8 | 1,066.8 | 3.9x | 444.1 | 692.9 |

BOND COMPARABLES

(\$ in millions)

| Company Name | Coupon | Amount | Maturity | Price | YTM | Current Yield |
|------------------------------|--------|--------|----------|-------|--------|------------------|
| Alpha Natural Resources Inc. | 2.375% | 175.0 | Apr-15 | 68.0% | 9.62% | 3.49% |
| Patriot Coal Corporation | 3.250% | 200.0 | May-13 | 53.9% | 20.77% | 6.03% |
| James River Coal Co. | 9.375% | 150.0 | Jun-12 | 79.5% | 18.38% | 11.79% |
| Massey Energy Co. | 3.250% | 690.0 | Aug-15 | 63.3% | 11.78% | 5.14% |

Business Description

- Leading Appalachian coal supplier. Produce, process and sell steam and met coal from 8 regional business units
 - 32 active underground mines, 26 active surface mines and 11 preparation plants located in Virginia, West Virginia, Kentucky and Pennsylvania
- Also a road construction business that recovers coal and involved in purchase / resale of coal mined by others (majority blended with ANR's coal -> higher margin for blended than separate parts)
 - Maybe 5% of coal

Steam Coal: purchased by large utilities and industrial customers as fuel for electricity generation = 62% of 07 volume

- Majority is high BTU (+12,500 BTU per pound), low sulfur (1.5% or less) coal, which sells at premium to lower-BTU, higher sulfur steam coal

Met Coal: Used to make coke, a key component in steel making process, accounted for 38% of 07 volume

- sells at premium to steam coal
- 38% of sales was international, primarily in Canada, Egypt, Belgium, Italy, Hungary and Brazil

- \$22mm of 07 capex was on Gallatin, which was acquired in 12/2006

- 56% of mining is underground (room and pillar mining); 44% is surface mining

- Top 10 customers are 42% of sales, and largest customer is 8% of sales

- Seasonality: lower sales in winter months due to freezing of lakes that they use to transport coal to some customers

- 92% of employees do not belong to unions

- Reclamation liabilities / mine closure liabilities = \$91.2mm as of 12/31/07

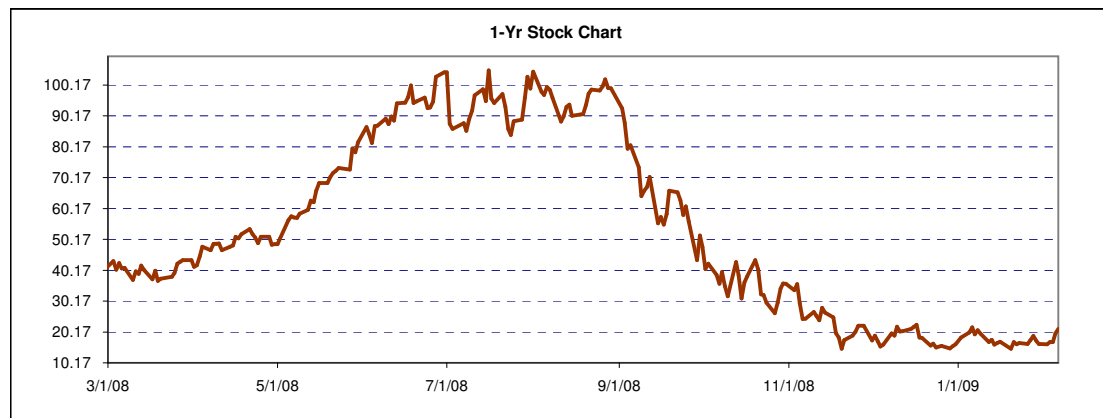
- Royalties paid to landowners of their mines amounts to 4.4% of 2007 coal revenue

- Tons increase from 2005 to 2006 was due to Nicewonder and Progress acquisitions, which resulted in an addition of 5.3mm tons

- Completed stock offering in April 2008 of 4.2mm shares at \$41.25 and converts offering of \$287mm, resulting in total proceeds of \$443mm. Partly repaid debt, rest was cash on BS.

Acquisitions / Divestitures / Closures

| <u>Date</u> | <u>type</u> | <u>Target</u> | <u>Price</u> | <u>Multiple</u> | <u>Description</u> |
|-------------|-------------|-----------------------|--------------|-----------------|---|
| 10/26/05 | Acquis | Nicewonder Coal Group | \$328.2 | n.a. | - Acquired coal reserves and operations in southern West Virginia and southwestern Virginia - Recalled it Callaway Natural Resources |
| 5/1/06 | Acquis | Progress Acquisition | \$28.8 | n.a. | - Operations are next to the Enterprise business unit and have been integrated into Enterprise |
| 12/28/06 | Acquis | Gallatin Materials | \$10.3 | n.a. | - 94% ownership in a Gallatin Materials, a start-up lime manufacturing business in Verona, KY - Cash contribution of \$10.3mm, committed sub debt facility of \$8.8mm, LCs for Gallatin - Will produce lime to be sold to coal-burning utilities as a scrubbing agent for removing sulfur dioxide from flue gas, helping them meet Clean Air Act regs |
| 6/29/07 | Acquis | Mingo Logan | \$43.9 | n.a. | - Purchased certain coal mining assets in western West Virginia from Arch Coal - Consists of coal reserves, 1 active deep mine and load-out and processing plant - Incorporated into Callaway |
| 9/26/08 | Divest | Gallatin Materials | \$45.0 | n.a. | Sold Gallatin stake at a good profit |



ANR - Cleveland Cliffs Merger Update

- On July 16, Cleveland-Cliffs announced its bid for Alpha Natural Resources
 - Harbinger owned 16.6% of shares and opposes sale
 - ANR holders would get 0.95 Cleveland-Cliffs shares and \$22.23 in cash for each share.
 - Cleveland-Cliffs recently adopted poison pill in case a holder (Harbinger?) want to buy whole company
 - Would be renamed Cliff
 - Harbinger wanted permission to buy more than 20% but less than 33% of CLF, but other shareholders voted down that proposal in a vote
 - Deal didn't happen and ANR got a \$70mm breakup fee

| | |
|-------------------------------|----------------|
| Cleveland-Cliffs Share px | \$13.9 |
| Fractional share received | 0.95 |
| Value | \$13.19 |
| Cash Portion | <u>\$22.2</u> |
| Total Proceeds for ANR | \$35.42 |
| Current ANR price | 17.23 |
| Appreciation | 105.5% |

MD&A

2008

- Have hedged diesel prices too high (50% of 2009 diesel), and had \$42mm of hedge losses in 4Q
- Tons sold were flat 2008 from 2007.
- Freight costs, which do not impact profitability but are interesting to watch to determine overall competitiveness of US coal, increased 35%
- Cost increase was due to "increases in the price of coal purchases at plants, diesel fuel, labor and benefits, supplies and maintenance and royalties and severance taxes."

- 2Q: "Importantly, with metallurgical coal remaining in high demand around the world, during the second quarter, Alpha committed and priced a considerable amount of planned production from the second quarter of 2008 through the first half of 2009. The weighted average on the 3.1 million tons that the company priced in the second quarter for delivery during that time period was in excess of \$250 per ton realized at the mine."
- 2Q: 80% of 2009 met coal still uncommitted and unpriced
- 2Q: Of Alpha's planned thermal coal production in 2009 and 2010, approximately 39 percent was uncommitted and unpriced as of July 23, or a total of more than 11 million tons. Approx 2.7mm tons committed during 2Q for delivery in 2008 and 2009 at a weighted average price of more than \$102.
- 3Q (as of Oct 13), 43% of 2009 met coal productions are committed at a price of \$194
- Recently, produced and processed costs rose due to increased sales-related costs (primarily royalties and severance taxes) and sharply higher mine supply costs-particularly diesel fuel increases and surcharges on steel for mine roof support

- Alpha's Enterprise Mining Co. LLC is completing infrastructure work and has begun initial production of coal from a 35 million-ton block of the Progress reserves. Production from the new EMC No. 9 underground mine is projected to ramp up to approximately one million tons next year and 1.7 million tons in 2010.

- On 10/13, Alpha completed sale of approximately 17.6mm tons of underground coal reserves in eastern Kentucky to a private coal producer for \$13mm. Alpha expects to record a pre-tax gain on the sale of approximately \$11 million in the third quarter. The reserves were included in an estimated 73 million tons of reserves and other assets acquired from Progress Fuels Corp. in May 2006 for \$23 million plus a \$3.7 million adjustment for working capital. The reserve block being divested was isolated from Alpha's coal processing and transportation infrastructure and thus was never considered strategic.
- On 10/13, Alpha announced sale of its 77.5 percent interest in the Gallatin joint venture and expects to record a pre-tax gain in the third quarter of approximately \$14 million on the sale.
 - There were various parties that approached Alpha about the lime business and gave ANR a good offer. Other option was going to be committing a decent amount of capital to the venture.
- There's a spread of \$100 a ton on the different qualities and how they blend with that can make a large difference

ANR Projection Model

| Projection Model | | | | | | | | | | | | | | | | | | |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|
| | Actual | | | | Projected | | | | | | | | | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| | 12/31/07 | 3/31/08 | 6/30/08 | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | | | | | |
| Contracted Steam Coal | | | | | | 3.2 | 3.1 | 3.0 | 2.7 | 1.8 | 1.6 | 1.6 | 1.6 | | | | | |
| Uncontracted Steam Coal | | | | | | 0.2 | 0.2 | 0.3 | 0.6 | 1.5 | 1.7 | 1.7 | 1.7 | | | | | |
| Steam Coal | 4.6 | 4.0 | 4.4 | 4.2 | 3.9 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 | 16.4 | 13.3 | 13.3 | 16.8 | 16.8 |
| Contracted Met Coal | | | | | | 2.1 | 0.7 | 0.6 | 0.6 | 0.5 | 0.3 | 0.3 | 0.3 | | | | | |
| Uncontracted Met Coal | | | | | | 0.0 | 1.4 | 1.5 | 1.5 | 1.6 | 1.8 | 1.8 | 1.8 | | | | | |
| Met Coal | 2.9 | 2.9 | 3.4 | 3.1 | 2.5 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 11.9 | 8.5 | 8.5 | 12.5 | 12.5 |
| Total Volume (mm tons) | 7.5 | 6.9 | 7.8 | 7.3 | 6.4 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 28.3 | 21.8 | 21.8 | 29.3 | 29.3 |
| Contracted Steam Coal | | | | | | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$65.00 | \$65.00 | \$65.00 | \$65.00 | | | | | |
| Uncontracted Steam Coal | | | | | | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$52.00 | \$52.00 | \$52.00 | \$52.00 | | | | | |
| Steam Coal Rev Per Ton | \$48.99 | \$50.51 | \$51.12 | \$52.26 | \$50.97 | \$70.38 | \$68.65 | \$68.05 | \$66.24 | \$59.04 | \$58.26 | \$58.26 | \$58.26 | \$51.21 | \$68.33 | \$58.45 | \$54.00 | \$60.00 |
| Contracted Met Coal | | | | | | \$110.00 | \$105.00 | \$105.00 | \$105.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | | | | | |
| Uncontracted Met Coal | | | | | | \$110.00 | \$85.00 | \$85.00 | \$85.00 | \$82.00 | \$75.00 | \$75.00 | \$75.00 | | | | | |
| Met Coal Rev Per Ton | \$73.24 | \$85.05 | \$120.63 | \$130.25 | \$126.87 | \$110.00 | \$91.59 | \$90.65 | \$90.65 | \$86.24 | \$78.53 | \$78.53 | \$78.53 | \$115.70 | \$95.72 | \$80.46 | \$85.00 | \$90.00 |
| Blended Avg Per Ton | \$58.44 | \$65.04 | \$81.48 | \$85.70 | \$80.62 | \$85.83 | \$77.59 | \$76.86 | \$75.76 | \$69.64 | \$66.16 | \$66.16 | \$66.16 | \$78.21 | \$79.01 | \$67.03 | \$67.23 | \$72.80 |
| Cost of Coal Sales / Ton | \$48.43 | \$52.52 | \$59.63 | \$64.27 | \$67.95 | \$59.17 | \$58.70 | \$59.08 | \$59.42 | \$59.21 | \$59.30 | \$59.78 | \$60.28 | \$61.09 | \$59.09 | \$59.64 | \$61.00 | \$63.00 |
| Coal Margin / Ton | \$10.01 | \$12.52 | \$21.85 | \$21.43 | \$12.67 | \$26.65 | \$18.89 | \$17.78 | \$16.34 | \$10.44 | \$6.86 | \$6.38 | \$5.89 | \$17.12 | \$19.92 | \$7.39 | \$6.23 | \$9.80 |
| Coal Gross Profit | \$75.0 | \$85.8 | \$169.4 | \$155.8 | \$81.1 | \$145.3 | \$102.9 | \$96.9 | \$89.1 | \$56.9 | \$37.4 | \$34.8 | \$32.1 | \$492.1 | \$434.2 | \$161.1 | \$182.4 | \$287.1 |
| Other Revenues | 9.3 | 12.1 | 14.3 | 16.3 | 16.1 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 58.8 | 36.0 | 36.0 | 36.0 | 36.0 |
| Cost of Other Revenues | 7.6 | 10.0 | 13.1 | 11.8 | 12.2 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 47.1 | 30.0 | 30.0 | 30.0 | 30.0 |
| Other Operations Gross Profit | 1.8 | 2.0 | 1.2 | 4.5 | 3.9 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 11.7 | 6.0 | 6.0 | 6.0 | 6.0 |
| Total Revenue | 446.9 | 457.7 | 646.2 | 639.2 | 532.1 | 476.8 | 431.9 | 427.9 | 421.9 | 388.6 | 369.6 | 369.6 | 369.6 | 2,275.2 | 1,758.4 | 1,497.3 | 2,005.7 | 2,169.0 |
| Total COGS (ex D&A) | 370.2 | 369.9 | 475.5 | 478.9 | 447.1 | 330.0 | 327.4 | 329.5 | 331.3 | 330.2 | 330.7 | 333.3 | 336.0 | 1,771.4 | 1,318.2 | 1,330.2 | 1,817.3 | 1,875.9 |
| SG&A | 16.9 | 15.4 | 20.7 | 20.9 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 16.0 | 16.0 | 16.0 | 16.0 | 72.0 | 60.0 | 64.0 | 65.0 | 65.0 |
| Adjusted EBITDA | \$59.8 | \$72.5 | \$149.9 | \$139.4 | \$70.0 | \$131.8 | \$89.4 | \$83.4 | \$75.6 | \$42.4 | \$22.9 | \$20.3 | \$17.6 | \$431.8 | \$380.2 | \$103.1 | \$123.4 | \$228.1 |
| % margin | 13.4% | 15.8% | 23.2% | 21.8% | 13.2% | 27.6% | 20.7% | 19.5% | 17.9% | 10.9% | 6.2% | 5.5% | 4.8% | 19.0% | 21.6% | 6.9% | 6.2% | 10.5% |
| Less: Deriv Losses / (Gains) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: CapEx | (24.9) | (33.8) | (40.4) | (39.4) | (24.1) | (32.5) | (32.5) | (32.5) | (32.5) | (32.5) | (32.5) | (32.5) | (32.5) | (137.8) | (130.0) | (130.0) | (170.0) | (170.0) |
| Less: Changes in W/C | 10.9 | (19.1) | (1.6) | 38.5 | 13.1 | - | - | - | - | - | - | - | - | 31.0 | - | - | - | - |
| Less: Revolver Interest Exp | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cash Interest (ex RC) | (9.4) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (33.1) | (33.1) | (33.1) | (33.1) | (33.1) |
| Less: Cash Taxes | (3.3) | (8.8) | (8.8) | (8.8) | (8.8) | (20.5) | (9.8) | (8.1) | (6.0) | 2.4 | 7.4 | 8.2 | 9.0 | (35.0) | (44.4) | 26.9 | 24.5 | 17.1 |
| Add: Stock-Based Comp | 2.9 | 3.0 | 11.6 | 1.3 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 17.9 | 8.0 | 8.0 | 8.0 | 8.0 |
| Add: New Convertible Debt | - | - | 287.5 | - | - | - | - | - | - | - | - | - | - | 287.5 | - | - | - | - |
| Add: Share Offering | - | - | 164.7 | - | - | - | - | - | - | - | - | - | - | 164.7 | - | - | - | - |
| Less: Payment of Debt | - | - | (202.2) | (24.3) | - | - | - | - | - | - | - | - | - | (226.5) | - | - | - | - |
| Add: Proceeds Asset/Equip Sales | - | - | - | 60.0 | - | - | - | - | - | - | - | - | - | 60.0 | - | - | - | - |
| Add: Tax-Effectuated Breakup Fee | - | - | - | - | 70.0 | - | - | - | - | - | - | - | - | 70.0 | - | - | - | - |
| Less: Other | - | (5.1) | (9.5) | (9.2) | 28.5 | - | - | - | - | - | - | - | - | 4.7 | - | - | - | - |
| Free Cash Flow | \$36.1 | \$0.4 | \$342.9 | \$149.2 | \$142.5 | \$72.5 | \$40.9 | \$36.5 | \$30.7 | \$6.0 | (\$8.5) | (\$10.4) | (\$12.2) | \$635.1 | \$180.7 | (\$25.1) | (\$47.2) | \$50.1 |
| Beginning Cash | \$54.4 | \$54.4 | \$54.8 | \$397.7 | \$547.0 | \$689.5 | \$762.0 | \$802.9 | \$839.4 | \$870.1 | \$876.1 | \$867.6 | \$857.3 | \$54.4 | \$689.5 | \$870.1 | \$845.0 | \$797.8 |
| Ending Cash | \$54.4 | \$54.8 | \$397.7 | \$547.0 | \$689.5 | \$762.0 | \$802.9 | \$839.4 | \$870.1 | \$876.1 | \$867.6 | \$857.3 | \$845.0 | \$689.5 | \$870.1 | \$845.0 | \$797.8 | \$848.0 |
| Rolling LTM Adj EBITDA | \$229.7 | \$233.7 | \$250.0 | \$347.2 | \$431.8 | \$491.1 | \$430.6 | \$374.7 | \$380.2 | \$290.8 | \$224.2 | \$161.1 | \$103.1 | \$431.8 | \$380.2 | \$103.1 | \$123.4 | \$228.1 |

| Projection Model | | | | | | | | | | | | | | | | | | | |
|----------------------------------|-------------------|----------------------|-------------------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|---------|
| | Actual | | | | Projected | | | | | | | | | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 | |
| | 12/31/07 | 3/31/08 | 6/30/08 | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | | | | | | |
| Capitalization | | | | | | | | | | | | | | | | | | | |
| Total Debt | 447.1 | 440.5 | 545.6 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | 520.9 | | |
| Less Cash | (54.4) | (59.2) | (406.5) | (560.1) | (689.5) | (762.0) | (802.9) | (839.4) | (870.1) | (876.1) | (867.6) | (857.3) | (845.0) | (689.5) | (870.1) | (845.0) | (797.8) | (848.0) | |
| Net Debt | 392.7 | 381.4 | 139.1 | (39.2) | (168.5) | (241.1) | (282.0) | (318.5) | (349.2) | (355.2) | (346.7) | (336.4) | (324.1) | (168.5) | (349.2) | (324.1) | (276.9) | (327.0) | |
| 3/24/09 | | | | | | | | | | | | | | | | | | | |
| Share Price | \$32.48 | \$43.44 | \$104.29 | \$51.43 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 | \$21.67 |
| Shares O/S | 65.6 | 66.1 | 70.3 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 | 70.5 |
| Market Cap | 2,131.1 | 2,872.5 | 7,331.8 | 3,625.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 | 1,527.6 |
| TEV | 2,523.8 | 3,253.9 | 7,470.9 | 3,586.3 | 1,359.1 | 1,286.6 | 1,245.6 | 1,209.1 | 1,178.4 | 1,172.4 | 1,180.9 | 1,191.3 | 1,203.5 | 1,359.1 | 1,178.4 | 1,203.5 | 1,250.7 | 1,200.6 | |
| Rolling LTM Adj EBITDA | 229.7 | 233.7 | 250.0 | 347.2 | 431.8 | 491.1 | 430.6 | 374.7 | 380.2 | 290.8 | 224.2 | 161.1 | 103.1 | 431.8 | 380.2 | 103.1 | 123.4 | 228.1 | |
| EV / EBITDA | 11.0x | 13.9x | 29.9x | 10.3x | 3.1x | 2.6x | 2.9x | 3.2x | 3.1x | 4.0x | 5.3x | 7.4x | 11.7x | 3.1x | 3.1x | 11.7x | 10.1x | 5.3x | |
| Costs Per Ton buckets | | | | | | | | | | | | | | | | | | | |
| | % of Costs | Annual Growth | Quarterly Growth | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 | | |
| Labor | 35.0% | 6% | 1.5% | \$22.49 | \$23.55 | \$23.17 | \$23.52 | \$23.87 | \$24.23 | \$24.60 | \$24.97 | \$25.34 | \$25.72 | \$23.70 | \$25.16 | | | | |
| Diesel | 13.0% | 0% | 0.0% | \$8.36 | \$8.75 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | \$5.64 | | | | |
| Steel | 13.0% | -4% | (1.0%) | \$8.36 | \$8.75 | \$5.85 | \$5.79 | \$5.73 | \$5.67 | \$5.62 | \$5.56 | \$5.51 | \$5.45 | \$5.76 | \$5.53 | | | | |
| Explosives | 8.5% | 4% | 1.0% | \$5.46 | \$5.72 | \$5.57 | \$5.63 | \$5.68 | \$5.74 | \$5.80 | \$5.86 | \$5.92 | \$5.97 | \$5.66 | \$5.89 | | | | |
| Royalties | 15.0% | Prop with Sales | | \$9.64 | \$10.09 | \$9.52 | \$8.60 | \$8.52 | \$8.40 | \$7.72 | \$7.34 | \$7.34 | \$7.34 | \$8.76 | \$7.43 | | | | |
| Lubricants and other oil-related | 5.5% | 5% | 1.3% | \$3.53 | \$3.70 | \$2.86 | \$2.90 | \$2.94 | \$2.97 | \$3.01 | \$3.05 | \$3.08 | \$3.12 | \$2.92 | \$3.07 | | | | |
| Conveyor Belts | 5.0% | 3% | 0.8% | \$3.21 | \$3.36 | \$3.26 | \$3.29 | \$3.31 | \$3.34 | \$3.36 | \$3.39 | \$3.41 | \$3.44 | \$3.37 | \$3.40 | | | | |
| Other | 5.0% | 5% | 1.3% | \$3.21 | \$3.36 | \$3.29 | \$3.34 | \$3.38 | \$3.42 | \$3.46 | \$3.51 | \$3.55 | \$3.59 | \$3.36 | \$3.53 | | | | |
| Total | 100.0% | | | \$64.27 | \$67.29 | \$59.17 | \$58.70 | \$59.08 | \$59.42 | \$59.21 | \$59.30 | \$59.78 | \$60.28 | \$59.17 | \$59.64 | \$61.00 | \$63.00 | | |
| Tax Schedule | | | | | | | | | | | | | | | | | | | |
| | | | | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 | | | |
| EBITDA | | | | \$70.0 | \$131.8 | \$89.4 | \$83.4 | \$75.6 | \$42.4 | \$22.9 | \$20.3 | \$17.6 | \$380.2 | \$103.1 | \$60.7 | \$37.8 | | | |
| D&A | | | | (45.0) | (45.5) | (46.0) | (46.5) | (47.0) | (47.5) | (48.0) | (48.5) | (49.0) | (185.0) | (193.0) | (145.5) | (97.5) | | | |
| Interest | | | | (4.4) | (4.4) | (4.4) | (4.4) | (4.4) | (4.4) | (4.4) | (4.4) | (4.4) | (17.7) | (17.7) | (13.3) | (8.8) | | | |
| Pre-Tax Income | | | | 20.6 | 81.8 | 39.0 | 32.5 | 24.1 | (9.5) | (29.5) | (32.7) | (35.8) | 177.5 | (107.6) | (98.0) | (68.5) | | | |
| Tax Rate | | | | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | | | |
| Estimated Tax | | | | 5.2 | 20.5 | 9.8 | 8.1 | 6.0 | (2.4) | (7.4) | (8.2) | (9.0) | 44.4 | (26.9) | (24.5) | (17.1) | | | |

| Summary of Operations | | | | | | | | | | | | | | | | | | | | |
|--|--------------------|----------------|----------------|----------------|----------------|-------------------|----------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|----------------|
| (\$ in millions) | | | | | | | | | | | | | | | | | | | | |
| | Fiscal Year Ending | | | | | Analyst Estimates | | Quarter Ending | | | | | | | | | | | | LTM |
| | 31-Dec-04 | 31-Dec-05 | 31-Dec-06 | 31-Dec-07 | 31-Dec-08 | 31-Dec-09 | 31-Dec-10 | 31-Mar-06 | 30-Jun-06 | 30-Sep-06 | 31-Dec-06 | 31-Mar-07 | 30-Jun-07 | 30-Sep-07 | 31-Dec-07 | 31-Mar-08 | 30-Jun-08 | 30-Sep-08 | 31-Dec-08 | |
| Coal Revenues | 1,080.0 | 1,413.2 | 1,687.6 | 1,639.2 | 2,219.3 | | | 424.3 | 437.3 | 420.2 | 405.7 | 380.2 | 387.2 | 438.6 | 433.3 | 445.7 | 631.9 | 623.0 | 518.8 | 2,133.8 |
| Freight and Handling Revenues | 141.1 | 185.6 | 188.4 | 205.1 | 279.9 | | | 46.4 | 50.9 | 45.8 | 45.2 | 43.2 | 41.6 | 58.4 | 61.9 | 59.2 | 86.0 | 75.7 | 59.0 | 282.8 |
| Other Revenues | 28.3 | 27.9 | 34.7 | 33.2 | 55.0 | | | 11.4 | 8.1 | 9.1 | 6.1 | 7.2 | 6.5 | 10.1 | 9.3 | 12.1 | 14.3 | 16.3 | 16.1 | 52.0 |
| Net Sales | \$1,249.4 | \$1,626.7 | \$1,910.7 | \$1,877.6 | \$2,554.1 | \$2,334.9 | \$2,352.2 | \$482.1 | \$496.3 | \$475.1 | \$457.1 | \$430.6 | \$435.3 | \$507.1 | \$504.5 | \$516.9 | \$732.2 | \$715.0 | \$593.8 | \$2,468.6 |
| Year/Year Growth | n.a. | 30.2% | 17.5% | -1.7% | 36.0% | | | n.a. | n.a. | n.a. | n.a. | -10.7% | -12.3% | 6.7% | 10.4% | 20.0% | 68.2% | 41.0% | 17.7% | n.a. |
| Quarter/Quarter Growth | n.a. | n.a. | n.a. | n.a. | n.a. | | | n.a. | 2.9% | -4.3% | -3.8% | -5.8% | 1.1% | 16.5% | -0.5% | 2.5% | 41.7% | -2.4% | -16.9% | n.a. |
| Cost of Coal Sales | 920.4 | 1,184.1 | 1,352.5 | 1,354.3 | 1,729.8 | | | 330.9 | 345.5 | 340.4 | 335.6 | 312.3 | 322.3 | 361.7 | 358.1 | 359.8 | 462.4 | 467.2 | 437.5 | 1,647.5 |
| Freight and Handling Costs | 141.1 | 185.6 | 188.4 | 205.1 | 279.9 | | | 46.4 | 50.9 | 45.8 | 45.2 | 43.2 | 41.6 | 58.4 | 61.9 | 59.2 | 86.0 | 75.7 | 59.0 | 282.8 |
| Cost of Other Revenues | 23.0 | 23.7 | 23.0 | 25.8 | 40.9 | | | 8.0 | 5.4 | 5.8 | 3.8 | 5.6 | 4.8 | 7.9 | 7.6 | 10.0 | 13.1 | 11.8 | 12.2 | 42.5 |
| Gross Margin | 165.0 | 233.3 | 346.9 | 292.3 | 503.6 | | | 96.9 | 94.4 | 83.1 | 72.4 | 69.5 | 66.7 | 79.2 | 77.0 | 87.9 | 170.7 | 160.3 | 85.2 | 495.8 |
| % Gross margin | 13.2% | 14.3% | 18.2% | 15.6% | 19.7% | | | 20.1% | 19.0% | 17.5% | 15.8% | 16.1% | 15.3% | 15.6% | 15.3% | 17.0% | 23.3% | 22.4% | 14.4% | 20.1% |
| SG&A (excl. D&A) | 40.6 | 88.1 | 68.0 | 58.6 | 72.0 | | | 13.2 | 13.2 | 16.8 | 16.5 | 13.2 | 14.0 | 14.5 | 16.9 | 15.4 | 20.7 | 20.9 | 15.0 | 73.9 |
| % Revenue | 3.3% | 5.4% | 3.6% | 3.1% | 2.8% | | | 2.7% | 2.7% | 3.5% | 3.6% | 3.1% | 3.2% | 2.9% | 3.4% | 3.0% | 2.8% | 2.9% | 2.5% | 3.0% |
| EBITDA | \$124.4 | \$145.2 | \$278.9 | \$233.7 | \$431.6 | \$504.0 | \$415.0 | \$83.7 | \$81.2 | \$66.3 | \$56.0 | \$56.2 | \$52.7 | \$64.7 | \$60.0 | \$72.5 | \$149.9 | \$139.4 | \$70.3 | \$421.9 |
| % EBITDA margin | 10.0% | 8.9% | 14.6% | 12.4% | 16.9% | 21.6% | 17.6% | 17.4% | 16.4% | 13.9% | 12.2% | 13.1% | 12.1% | 12.8% | 11.9% | 14.0% | 20.5% | 19.5% | 11.8% | 17.1% |
| (Incr) / Decr in deriv coal contracts | 0.0 | 0.0 | 0.0 | 0.0 | 47.3 | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | (0.4) | 0.0 | 0.2 | (14.3) | (6.5) | 34.3 | 33.8 | 13.6 |
| Stock-Based Comp | 0.1 | 39.0 | 20.5 | 9.7 | 17.9 | | | 3.8 | 6.1 | 5.9 | 4.6 | 2.7 | 1.4 | 2.7 | 2.9 | 3.0 | 11.6 | 1.3 | 2.0 | 18.8 |
| D&A | 55.3 | 73.4 | 140.9 | 159.6 | 172.0 | | | 34.7 | 35.4 | 37.6 | 38.0 | 37.3 | 39.4 | 45.8 | 43.9 | 46.1 | 46.8 | 41.9 | 37.1 | 178.7 |
| EBIT | \$69.1 | \$71.8 | \$138.1 | \$74.2 | \$259.7 | | | \$49.0 | \$45.8 | \$28.6 | \$18.0 | \$18.9 | \$13.3 | \$19.0 | \$16.1 | \$26.4 | \$103.2 | \$97.4 | \$33.1 | \$243.2 |
| % EBIT margin | 5.5% | 4.4% | 7.2% | 3.9% | 10.2% | | | 10.2% | 9.2% | 6.0% | 3.9% | 4.4% | 3.1% | 3.7% | 3.2% | 5.1% | 14.1% | 13.6% | 5.6% | 9.8% |
| Less: CapEx | (\$72.0) | (\$122.3) | (\$131.9) | (\$126.4) | (\$137.8) | (\$130.0) | (\$130.0) | (\$51.4) | (\$32.6) | (\$26.5) | (\$21.4) | (\$44.6) | (\$27.1) | (\$29.8) | (\$24.9) | (\$33.8) | (\$40.4) | (\$39.4) | (\$24.1) | (\$138.5) |
| EBITDA Less CapEx | \$52.3 | \$22.9 | \$147.0 | \$107.4 | \$293.9 | | | \$32.2 | \$48.6 | \$39.7 | \$34.6 | \$11.7 | \$25.7 | \$34.9 | \$35.1 | \$38.7 | \$109.5 | \$100.0 | \$46.2 | \$218.3 |
| Less: Cash Interest Expense | (14.3) | (24.3) | (40.4) | (37.4) | (33.1) | | | (10.1) | (10.1) | (10.1) | (10.1) | (9.4) | (9.4) | (9.4) | (8.3) | (8.3) | (8.3) | (8.3) | (8.3) | (34.2) |
| Less: Cash Taxes | (4.0) | (20.0) | (15.5) | (13.1) | (35.0) | | | (3.9) | (3.9) | (3.9) | (3.9) | (3.3) | (3.3) | (3.3) | (3.3) | (8.8) | (8.8) | (8.8) | (8.8) | (29.5) |
| Levered FCF ex. W/C | \$34.1 | \$17.7 | \$111.5 | \$66.5 | \$243.6 | | | \$22.1 | \$40.8 | \$31.6 | \$25.2 | \$1.7 | \$14.4 | \$24.9 | \$25.4 | \$24.7 | \$104.1 | \$84.2 | \$31.1 | \$173.4 |
| Less: Change in Net W/C | 0.1 | 4.1 | (36.2) | 27.1 | 31.0 | | | (34.9) | 2.7 | (14.5) | 10.5 | 5.0 | 5.8 | 5.5 | 10.9 | (19.1) | (1.6) | 38.5 | 13.1 | 28.7 |
| Free Cash Flow | \$34.1 | \$21.8 | \$75.4 | \$93.6 | \$274.6 | | | (\$12.8) | \$43.5 | \$17.1 | \$35.7 | \$6.7 | \$20.2 | \$30.4 | \$36.3 | \$5.6 | \$102.5 | \$122.8 | \$44.2 | \$202.1 |
| Other Items | | | | | | | | | | | | | | | | | | | | |
| CF From Ops Less CapEx | \$34.7 | \$27.3 | \$78.1 | \$99.4 | \$320.3 | | | (\$18.0) | \$34.4 | \$21.4 | \$40.4 | \$8.0 | \$22.6 | \$31.1 | \$37.6 | \$8.0 | \$97.3 | \$116.9 | \$98.1 | \$259.8 |
| Cash Spent on Acquisitions | (2.9) | (226.9) | (31.5) | (43.9) | (0.9) | | | 0.0 | (28.3) | 0.0 | (3.3) | 0.0 | (44.5) | (0.0) | 0.0 | (0.9) | 0.0 | 0.0 | 0.0 | (0.9) |
| Cash from Divestitures | 0.0 | 0.0 | 0.0 | 0.0 | 45.0 | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 45.0 | 0.0 | 45.0 |
| Total Assets | 477.1 | 1,013.7 | 1,145.8 | 1,210.9 | 1,728.3 | | | 1,016.1 | 1,053.5 | 1,047.7 | 1,145.8 | 1,131.1 | 1,146.2 | 1,171.6 | 1,210.9 | 1,255.9 | 1,678.9 | 1,725.3 | 1,728.3 | 1,725.3 |
| Book Equity | 45.9 | 212.8 | 344.0 | 380.8 | 725.7 | | | 244.2 | 273.5 | 287.1 | 344.0 | 354.6 | 364.9 | 372.3 | 380.8 | 407.3 | 666.7 | 738.7 | 725.7 | 738.7 |
| Coal Produced and Processed | 19.1 | 20.6 | 24.8 | 24.4 | 23.5 | | | 6.3 | 6.4 | 6.2 | 6.0 | 6.1 | 6.2 | 6.1 | 5.8 | 6.1 | 6.2 | 5.8 | 5.5 | 5.5 |
| Purchased Volume Not Reprocessed | 6.5 | 6.3 | 4.1 | 4.1 | 4.8 | | | 1.1 | 1.0 | 1.0 | 1.0 | 0.7 | 0.9 | 1.1 | 1.5 | 1.1 | 1.5 | 1.2 | 1.1 | 1.1 |
| Total Volume (mm tons) | 25.6 | 26.9 | 28.9 | 28.5 | 28.4 | | | 7.4 | 7.4 | 7.1 | 7.0 | 6.9 | 7.0 | 7.3 | 7.2 | 7.2 | 7.6 | 7.0 | 6.6 | 6.6 |
| Steam Coal | 15.8 | 16.7 | 19.1 | 17.5 | 16.4 | | | 4.4 | 4.9 | 5.1 | 4.7 | 4.3 | 4.3 | 4.4 | 4.6 | 4.0 | 4.4 | 4.2 | 3.9 | 3.9 |
| Met Coal | 9.5 | 10.0 | 10.0 | 11.0 | 11.9 | | | 2.8 | 2.6 | 2.3 | 2.4 | 2.4 | 2.5 | 3.2 | 2.9 | 2.9 | 3.4 | 3.1 | 2.5 | 2.5 |
| Total Volume (mm tons) | 25.3 | 26.7 | 29.1 | 28.5 | 28.3 | | | 7.1 | 7.5 | 7.4 | 7.1 | 6.6 | 6.8 | 7.6 | 7.5 | 6.9 | 7.8 | 7.3 | 6.4 | 6.4 |
| Steam Coal Rev Per Ton | \$32.66 | \$41.33 | \$49.05 | \$48.28 | \$51.23 | | | \$49.00 | \$50.08 | \$48.35 | \$48.80 | \$48.83 | \$48.01 | \$48.24 | \$48.99 | \$50.51 | \$51.12 | \$52.26 | \$50.97 | |
| Met Coal Rev Per Ton | \$59.31 | \$72.24 | \$75.09 | \$72.07 | \$115.85 | | | \$76.22 | \$74.90 | \$74.36 | \$74.61 | \$72.70 | \$71.39 | \$71.05 | \$73.24 | \$85.05 | \$120.63 | \$130.25 | \$126.87 | |
| Blended Avg Per Ton | \$42.65 | \$52.93 | \$58.03 | \$57.46 | \$78.39 | | | \$59.58 | \$58.62 | \$56.52 | \$57.41 | \$57.36 | \$56.61 | \$57.79 | \$58.44 | \$65.04 | \$81.48 | \$85.70 | \$80.58 | |
| Cost of Coal Sales / Ton | \$36.34 | \$44.35 | \$46.51 | \$47.45 | \$61.08 | | | \$46.46 | \$46.32 | \$45.80 | \$47.52 | \$47.12 | \$47.11 | \$47.66 | \$48.43 | \$52.52 | \$59.63 | \$64.27 | \$67.95 | |
| Coal Margin / Ton | \$6.31 | \$8.58 | \$11.52 | \$10.01 | \$17.31 | | | \$13.12 | \$12.30 | \$10.72 | \$9.89 | \$10.24 | \$9.50 | \$10.13 | \$10.01 | \$12.52 | \$21.85 | \$21.43 | \$12.63 | |
| Coal Gross Profit | \$159.7 | \$229.2 | \$335.0 | \$285.3 | \$490.0 | | | \$93.4 | \$91.8 | \$79.7 | \$69.9 | \$67.9 | \$65.0 | \$76.9 | \$75.0 | \$85.8 | \$169.4 | \$155.8 | \$81.3 | |
| Check against Financials | | | | | | | | | | | | | | | | | | | | |
| Proven and probably coal reserves | | 489.5 | 548.6 | 617.5 | 599.7 | | | | | | | | | | | | | | | |
| Low sulfur | | 89% | 82% | 82% | 83% | | | | | | | | | | | | | | | |
| Sulfur content below 1% | | 63% | 57% | 57% | 60% | | | | | | | | | | | | | | | |
| High BTU content | | 92% | 91% | 89% | 88% | | | | | | | | | | | | | | | |
| % steam coal sold under long-term contracts | | 86% | 63% | 81% | 80% | | | | | | | | | | | | | | | |
| % met coal sold under long-term contracts | | 75% | 45% | 44% | 64% | | | | | | | | | | | | | | | |
| % of next year's production committed | | 91% | 83% | 95% | 89% | | | | | | | | | | | | | | | |
| % of next year's production committed and unpriced | | n.a. | 7% | 1% | 17% | | | | | | | | | | | | | | | |
| % of 2 years' following production committed | | 46% | 42% | 33% | 38% | | | | | | | | | | | | | | | |
| Next year's committed steam coal avg price | | \$47.16 | \$48.50 | \$48.64 | \$70.00 | | | | | | | | | | | | | | | |
| Next year's committed met coal avg price | | \$73.72 | \$72.50 | \$81.27 | \$108.00 | | | | | | | | | | | | | | | |
| Next year's commitments to purch coal (tons) | | 4.5mm | 2.4mm | 3.5mm | n.a. | | | | | | | | | | | | | | | |
| % shipped by Rail | | 80% | 73% | 59% | 58% | | | | | | | | | | | | | | | |
| % shipped by Truck | | 20% | 27% | 41% | 42% | | | | | | | | | | | | | | | |
| Avg Cost Per Ton Produced and Processed | | \$40.07 | \$44.33 | \$47.59 | \$58.14 | | | | | | | | | | | | | | | |
| Avg Cost Per Ton Purch from 3rd Parties | | \$58.88 | \$58.76 | \$50.74 | \$75.13 | | | | | | | | | | | | | | | |

| Summary of Operations | | | | | | | | | | | | | | | | | | | | |
|----------------------------------|--------------------|-----------|-----------|-----------|-----------|-------------------|-----------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| (\$ in millions) | | | | | | | | | | | | | | | | | | | | |
| | Fiscal Year Ending | | | | | Analyst Estimates | | Quarter Ending | | | | | | | | | | | LTM | |
| | 31-Dec-04 | 31-Dec-05 | 31-Dec-06 | 31-Dec-07 | 31-Dec-08 | 31-Dec-09 | 31-Dec-10 | 31-Mar-06 | 30-Jun-06 | 30-Sep-06 | 31-Dec-06 | 31-Mar-07 | 30-Jun-07 | 30-Sep-07 | 31-Dec-07 | 31-Mar-08 | 30-Jun-08 | 30-Sep-08 | 31-Dec-08 | 31-Dec-08 |
| Rolling LTM Figures | | | | | | | | | | | | | | | | | | | | |
| EBITDA | \$124.4 | \$145.2 | \$278.9 | \$233.7 | \$431.6 | \$504.0 | \$415.0 | | | | \$287.1 | \$259.7 | \$231.2 | \$229.7 | \$233.7 | \$250.0 | \$347.2 | \$421.9 | \$432.1 | \$432.1 |
| EBITDA Less Capex | 52.3 | 22.9 | 147.0 | 107.4 | 293.9 | | | | | | 155.1 | 134.6 | 111.6 | 106.8 | 107.4 | 134.4 | 218.3 | 283.3 | 294.4 | 294.4 |
| Capitalization | | | | | | | | | | | | | | | | | | | | |
| Total Debt | \$211.7 | \$502.9 | \$469.5 | \$447.1 | \$520.9 | | | | | | \$469.5 | \$459.0 | \$456.2 | \$431.3 | \$447.1 | \$440.5 | \$545.6 | \$520.9 | \$520.9 | \$520.9 |
| Less: Cash and Equiv | (7.4) | (39.6) | (33.3) | (54.4) | (676.2) | | | | | | (33.3) | (30.9) | (8.7) | (16.3) | (54.4) | (59.2) | (406.5) | (560.1) | (676.2) | (676.2) |
| Net Debt | \$204.3 | \$463.2 | \$436.2 | \$392.7 | (\$155.3) | | | | | | \$436.2 | \$428.1 | \$447.5 | \$415.0 | \$392.7 | \$381.4 | \$139.1 | (\$39.2) | (\$155.3) | (\$155.3) |
| Minority Interest | \$28.8 | \$0.0 | \$0.0 | \$1.6 | \$0.0 | | | | | | \$0.0 | \$0.4 | \$1.0 | \$1.3 | \$1.6 | \$1.2 | \$1.2 | \$0.0 | \$0.0 | \$0.0 |
| Stock Price | | \$19.21 | \$14.23 | \$32.48 | \$16.19 | | | | | | \$14.23 | \$15.63 | \$20.79 | \$23.23 | \$32.48 | \$43.44 | \$104.29 | \$51.43 | \$16.19 | \$21.67 |
| Shares O/S | | 64.4 | 65.0 | 65.6 | 70.5 | | | | | | 65.0 | 65.5 | 65.5 | 65.5 | 65.6 | 66.1 | 70.3 | 70.5 | 70.5 | 70.9 |
| Market Cap ⁽¹⁾ | | 1,237.2 | 924.5 | 2,131.1 | 1,141.3 | | | | | | 924.5 | 1,024.5 | 1,362.6 | 1,521.8 | 2,131.1 | 2,872.5 | 7,331.8 | 3,625.6 | 1,141.3 | 1,466.6 |
| TEV | | \$1,700.5 | \$1,360.7 | \$2,525.4 | \$986.0 | | | | | | \$1,360.7 | \$1,453.0 | \$1,811.1 | \$1,938.1 | \$2,525.4 | \$3,255.0 | \$7,472.1 | \$3,586.3 | \$986.0 | \$1,311.3 |
| Financial Ratios | | | | | | | | | | | | | | | | | | | | |
| TEV / EBITDA | | 11.7x | 4.9x | 10.8x | 2.3x | 2.6x | 3.2x | | | | 4.7x | 5.6x | 7.8x | 8.4x | 10.8x | 13.0x | 21.5x | 8.5x | 2.3x | 3.0x |
| TEV / EBITDA - CapEx | | 74.4x | 9.3x | 23.5x | 3.4x | | | | | | 8.8x | 10.8x | 16.2x | 18.2x | 23.5x | 24.2x | 34.2x | 12.7x | 3.3x | 4.5x |
| ROE | | 16.5% | 46.0% | 7.7% | 0.0% | | | | | | 43.6% | 34.8% | 27.9% | 23.8% | 7.7% | 11.8% | 22.2% | 31.6% | 30.7% | 30.7% |
| ROA | | 2.9% | 11.9% | 2.4% | 0.0% | | | | | | 11.9% | 10.0% | 8.3% | 7.4% | 2.4% | 3.8% | 8.1% | 12.1% | 11.5% | 11.5% |
| ROIC (assume 35% tax) | | 6.9% | 11.5% | 6.2% | 29.6% | | | | | | 11.8% | 9.2% | 6.3% | 5.7% | 5.7% | 6.2% | 13.3% | 22.6% | 29.6% | 29.6% |
| Leverage Ratios | | | | | | | | | | | | | | | | | | | | |
| Total Debt / LTM EBITDA | 1.7x | 3.5x | 1.7x | 1.9x | 1.2x | | | | | | 1.6x | 1.8x | 2.0x | 1.9x | 1.9x | 1.8x | 1.6x | 1.2x | 1.2x | 1.2x |
| Net Debt / LTM EBITDA | 1.6x | 3.2x | 1.6x | 1.7x | n.a. | | | | | | 1.5x | 1.6x | 1.9x | 1.8x | 1.7x | 1.5x | 0.4x | n.a. | n.a. | n.a. |
| LTM EBITDA / LTM Interest | 8.7x | 6.0x | 6.9x | 6.2x | 13.0x | | | | | | 7.1x | 6.5x | 5.9x | 6.0x | 6.2x | 6.9x | 9.8x | 12.3x | 13.1x | 13.1x |
| (LTM EBITDA-LTM CAPEX) / LTM Int | n.a. | 0.9x | 3.6x | 2.9x | 8.9x | | | | | | 3.8x | 3.4x | 2.9x | 2.8x | 2.9x | 3.7x | 6.2x | 8.3x | 8.9x | 8.9x |

ANR Cap Structure

| Capitalization | | | | | | | | | | |
|-------------------------------|--------|----------------|---------------|----------|---------|----------------|------------------------|--------|-------|---------------|
| Description | Coupon | Amount | Mlt EBITD | Maturity | Price | At Mkt | Mlt EBITD ^A | YTM | Yield | Cash Int |
| Revolver(1) | | \$0.0 | | Mar-13 | 100.00% | \$0.0 | | 4.65% | 4.65% | \$0.0 |
| Term Loan | L+175 | 233.1 | | Mar-14 | 100.00% | 233.1 | | | | 10.8 |
| Capital Leases and Other | | 0.2 | | | 100.00% | 0.2 | | | | 0.0 |
| Total 1st Lien Debt | | 233.4 | 0.6x | | | \$233.4 | 0.6x | | | \$10.9 |
| 2.375% Conv Sr Notes due 2015 | 2.375% | 287.5 | | Apr-15 | 66.25% | 190.5 | | 10.08% | 3.58% | 6.8 |
| Total Debt | | 520.9 | 1.2x | | | 423.8 | 1.0x | | | \$17.7 |
| Minority Interest | | \$0.0 | | | | \$0.0 | | | | |
| Market Cap | | 1,348.2 | | | | 1,348.2 | | | | |
| TEV | | 1,192.9 | 2.8x | | | 1,095.9 | 2.6x | | | |
| Less: Cash | | 676.2 | | | | 676.2 | | | | |
| Net Debt | | (155.3) | (0.4x) | | | (252.4) | (0.6x) | | | |

(1) \$275mm facility size.

(2) The 2.375% Convertible Sr Notes are puttable as a result of the merger announcement.

ANR Mine Descriptions

| Regional Business Unit | Location | Preparation Plant as of 12/31/2007 | Under | | | | Railroad | 2007 Production | Recoverable Reserves Proven & Probable | Sulfur Content | | | Average BTY | | Assigned | Unassigned | Owned | Leased | Coal Type |
|------------------------|----------------------|------------------------------------|--------|---------|-------|---------|----------|-----------------|--|----------------|-------------|-------|-------------|---------|----------|------------|-------|-------------|-----------|
| | | | Ground | Surface | Total | | | | | <1% | 1.0% - 1.5% | >1.5% | >12,500 | <12,500 | | | | | |
| Paramount | Virginia | Toms Creek | 6 | 4 | 10 | NS | 5,112 | 159.1 | 116.0 | 33.2 | 9.9 | 148.6 | 10.5 | 47.7 | 111.4 | - | 159.1 | Steam + Met | |
| Dickenson-Russell | Virginia | McClure Riv and Moss#3 | 4 | 1 | 5 | CSX, NS | 2,143 | 36.7 | 36.7 | - | - | 36.7 | - | 36.7 | - | - | 36.7 | Steam + Met | |
| Kingwood | West Virginia | Whitetail | 2 | 0 | 2 | CSX | 1,630 | 30.4 | - | 19.6 | 10.8 | 30.4 | - | 19.1 | 11.3 | - | 30.4 | Steam + Met | |
| Brooks Run North | West Virginia | Erbacon | 2 | 1 | 3 | CSX | 2,149 | 46.3 | 11.6 | 34.7 | - | 32.0 | 14.3 | 28.7 | 17.6 | 2.3 | 44.0 | Steam + Met | |
| Brooks Run South | West Virginia | Litwar and Kepler | 11 | 0 | 11 | NS | 2,841 | 88.6 | 87.1 | 1.5 | - | 88.6 | - | 41.4 | 47.2 | 1.1 | 87.5 | Steam + Met | |
| AMFIRE | Pennsylvania | Clymer and Portage | 5 | 14 | 19 | NS | 3,157 | 70.1 | 12.5 | 21.6 | 36.0 | 61.5 | 8.6 | 54.9 | 15.2 | 3.1 | 67.0 | Steam + Met | |
| Enterprise | Kentucky | Roxana | 1 | 3 | 4 | CSX | 2,768 | 164.1 | 60.5 | 49.9 | 53.7 | 140.8 | 23.3 | 15.8 | 148.3 | 20.1 | 144.0 | Steam | |
| Callaway | West Virginia / Virg | Black Bear | 1 | 3 | 4 | NS | 4,403 | 22.2 | 22.2 | - | - | 12.9 | 9.3 | 18.3 | 3.9 | 0.7 | 21.5 | Steam + Met | |
| <i>Percentages</i> | | | 32 | 26 | 58 | | 24,203 | 617.5 | 346.6 | 160.5 | 110.4 | 551.5 | 66.0 | 262.6 | 354.9 | 27.3 | 590.2 | | |
| <i>Percentages</i> | | | | | | | | | 56.1% | 26.0% | 17.9% | 89.3% | 10.7% | 42.5% | 57.5% | 4.4% | 95.6% | | |

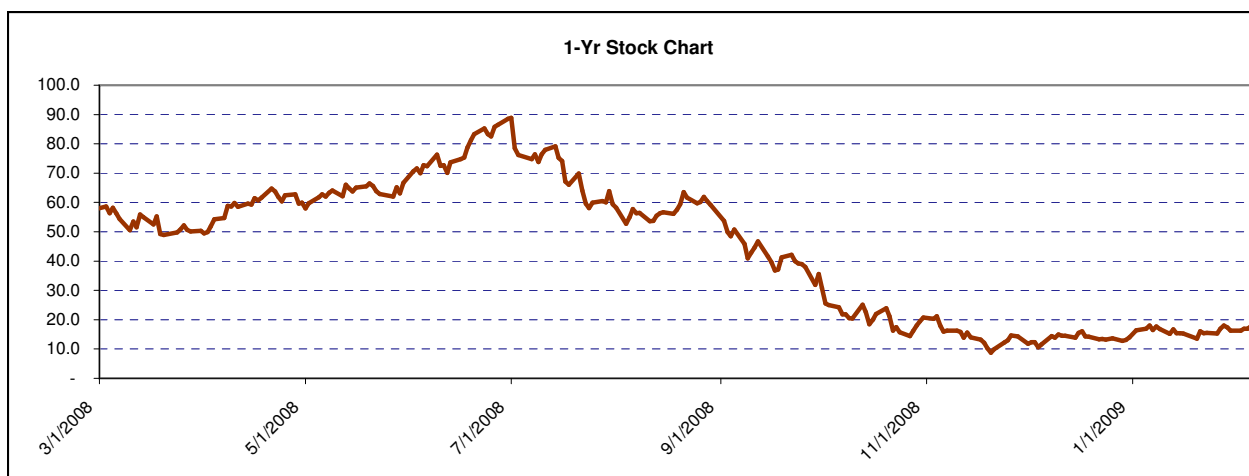
Foundation Coal

Business Description

- 4th largest coal producer in US, based on tons produced
- 13 mines in Wyoming, Pennsylvania and West Virginia
- in 2008, sold 70.9mm short tons, including 69.3mm tons produced and processed at own operations
- 1.7mm of proven and probable coal reserves; total reserve life of 22 yrs
- Steam coal 89% of coal sales revenue in 2008; met coal is 11%
- In 2008, sold approx 86% of volume under long-term coal supply agreements (consider 12 months as long-term)
- Had 97% of 2009 shipments, 59% of 2010 shipments, and 29% of 2011 shipments contracted back in January 2009. These are long-term contracts (12+ months)
- 53% of total coal revenues were to 10 largest customers, with largest customer being 13% of revenue
- UMWA represent about 34% of employees. The contracts expire in Q4 2011.
 - Discuss their underfunded pension and OPEB
- In Jan 30, announced that it will idle the Laurel Creek mining complex "based on its high cost structure, unfavorable current market conditions, and difficult mining conditions which together make the operation of the mining complex uneconomic"
- Were a subsidiary of RAG Coal International AG from 1999 until becoming an independent company on July 30, 2004 (MBO and sponsors)

Mining Techniques

- Longwall on Cumberland and Emerald mines
- Room-and-Pillar on Kingston and Rockspring mines
- Truck and shovel mining and truck & frontend loading mining in PRB
- 55% of our total coal revenues from sales to our 10 largest customers for the year ended December 31, 2008, with the largest customer accounting for approximately 16% of our coal revenues for that year.
- Unfunded pension and benefit plans, specifically: included \$557.6 million of postretirement obligations, \$116.0 million of defined benefit pension obligations, \$32.3 million of workers'
- Contributed \$11mm in 2008 to own pension plan (the \$116mm defined plan mentioned above), and expect to contribute \$30mm in 2009 to keep pension plans at 80%+ funding
- Also belong to a multiemployer pension plan that was 91% funded as of July 1, 2008. Plan likely has become more underfunded since. Total contributions in 2008 were \$14mm
- 34% of employees unionized, by UMWA. Emerland and Cumberland mines. Wabash mine in Illinois Basin was idled partly due to union negotiations in 2007.
 - Rockspring mine could be unionized as well. 304 employees. In Feb 2009, NLRB announced that previously uncounted ballot elections be re-opened and counted.
- Low exposure to CAPP surface mining permitting issues (only 2% of production)



MD&A

2008

- CAPP price increase was materially larger than NAPP and PRB price increases in 2008, as would be expected by international demand driving higher coal prices in 2008
- Tons produced jumped in NAPP mainly due to Emerald mine due to introduction of second longwall in Feb 2008. Also 2007 witnessed union strikes.
- Lower coal volumes in CAPP (19% lower) due to lower production at Laurel Creek and Pioneer. It wrote "In general, our production in Central Appalachia has been limited by difficult geologic conditions, increased regulatory activity and shortages of skilled miners at our underground mines, particularly Laurel Creek."
- PRB production: "Coal sales volumes in the Powder River Basin decreased 2.4 million tons, or 5% period-over-period due to a combination of transportation interruptions caused by adverse weather conditions including extensive flooding in the Midwest, the Company's decision to limit production due to market conditions for Powder River Basin coal, and reduced shipments on certain coal supply agreements tied to customer requirements. An 18% period-over-period decrease in production and shipments at Eagle Butte was partially offset by a 8% increase in production and shipments at Belle Ayr."

Cost of coal sales increased by \$190mm, or 17%

- \$72mm due to higher repair, maintenance and operating supply costs
- \$36mm due to higher coal purchases
- \$42mm due to higher labor and benefit costs as a result of both compensation increases and hiring of additional personnel
- \$24mm due to increase in royalties primarily due to higher proportion of coal subject to federal royalties
- Various other cost increases

4Q08

- "Cost of coal sales were \$324.7 million, up 18 percent from the fourth quarter of 2007 mainly due to increases in diesel fuel, repair and maintenance supplies, operating supplies, labor and benefits, and coal sales revenue sensitive royalties and production taxes. Sequentially, fourth quarter 2008 cost of coal sales declined 7 percent from the third quarter primarily as a result of lower expenses for purchased coal."
- 4th quarter helped by new additional longwall mining capacity at one of the NAPP mines (Emerald)
- "First quarter 2009 results will be constrained due to limited Northern Appalachian production because of planned longwall moves at both Cumberland and Emerald, and the current temporary production interruption at the Emerald Mine related to gas levels in a sealed area of the mine."

4Q08 Conference Call Notes

"Expect to increase production in 2009 because Foundation sold most of its 2009 production at or near the peak of the market in 2008, and because Foundation claims to produce 95% of its production from low-cost, large reserve, high-volume mines"

- Expect NAPP production in 1Q to be 2.5mm, due to: "scheduled longwall moves at both Cumberland and Emerald and a temporary interruption of normal operations at the Emerald mine due to gas levels in a sealed area of the mine. The gas issue developed within the past few days and is currently ongoing. We expect normal operations to resume within the next two weeks. Following the completion of the first-quarter longwall moves, anticipate normal production levels throughout the balance of 2009. In the regular course of mining, another longwall move is expected to take place at Cumberland late in the third quarter."
- Have customers contacted you about renegotiating pricing? "We have not had any other contract issues [other than ArcelorMittal litigation, involving 200k tons]. We have been contacted by a few players and I am opening up the issue, but we have nothing to the extent that we have with the current litigation. And we -- I will add to this -- we fully expect all of our contracts, the values of our contracts to be fulfilled."
- 74% hedged on diesel for 2009 at the high 2008 diesel prices

Foundation Coal

| Projection Model | | | | | | | | | | | | | | | | | | |
|---|-----------------|----------------|----------------|-----------------|------------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual | | | | Projected | | | | | | | | | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| | 12/31/07 | 3/31/08 | 6/30/08 | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | | | | | |
| Committed / Priced | | | | | 100% | 100% | 100% | 100% | 100% | 65% | 65% | 65% | 65% | | | | | |
| Contracted Coal | | | | | | 13.0 | 13.0 | 13.0 | 13.0 | 8.9 | 8.9 | 8.9 | 8.9 | | | | | |
| Uncontracted Coal | | | | | | 0.0 | 0.0 | 0.0 | 0.0 | 4.8 | 4.8 | 4.8 | 4.8 | | | | | |
| Powder River Basin | 12.8 | 12.6 | 11.6 | 13.0 | 12.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.8 | 13.8 | 13.8 | 13.8 | 49.2 | 52.0 | 55.0 | 55.0 | 55.0 |
| Committed / Priced | | | | | 100% | 90% | 90% | 90% | 90% | 39% | 39% | 39% | 39% | | | | | |
| Contracted Coal | | | | | | 2.3 | 3.2 | 3.1 | 3.2 | 1.3 | 1.3 | 1.3 | 1.3 | | | | | |
| Uncontracted Coal | | | | | | 0.3 | 0.4 | 0.3 | 0.4 | 2.0 | 2.0 | 2.0 | 2.0 | | | | | |
| NAPP | 3.2 | 4.1 | 3.5 | 2.8 | 4.1 | 2.5 | 3.5 | 3.4 | 3.5 | 3.3 | 3.3 | 3.3 | 3.3 | 14.4 | 12.9 | 13.2 | 13.5 | 13.5 |
| Committed / Priced | | | | | 100% | 90% | 90% | 90% | 90% | 39% | 39% | 39% | 39% | | | | | |
| Contracted Coal | | | | | | 1.3 | 1.3 | 1.3 | 1.3 | 0.4 | 0.4 | 0.4 | 0.4 | | | | | |
| Uncontracted Coal | | | | | | 0.1 | 0.1 | 0.1 | 0.1 | 0.7 | 0.7 | 0.7 | 0.7 | | | | | |
| CAPP | 2.0 | 1.8 | 1.8 | 1.6 | 1.7 | 1.4 | 1.4 | 1.4 | 1.4 | 1.2 | 1.2 | 1.2 | 1.2 | 6.9 | 5.6 | 4.6 | 4.5 | 4.5 |
| Other Coal | 0.0 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.4 | 0.2 | 0.2 | 0.2 | 0.2 |
| Total Volume (mm tons) | 18.1 | 18.5 | 17.0 | 17.6 | 17.8 | 17.0 | 18.0 | 17.9 | 18.0 | 18.3 | 18.3 | 18.3 | 18.3 | 70.9 | 70.7 | 73.0 | 73.2 | 73.2 |
| Contracted Coal | | | | | | \$10.43 | \$10.43 | \$10.43 | \$10.43 | \$11.16 | \$11.16 | \$11.16 | \$11.16 | | | | | |
| Uncontracted Coal | | | | | | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | | | | | |
| Powder River Basin | \$8.90 | \$10.10 | \$10.05 | \$10.02 | \$10.27 | \$10.43 | \$10.43 | \$10.43 | \$10.43 | \$10.75 | \$10.75 | \$10.75 | \$10.75 | \$10.11 | \$10.43 | \$10.75 | \$9.00 | \$9.00 |
| Contracted Coal | | | | | | \$56.50 | \$56.50 | \$56.50 | \$56.50 | \$66.25 | \$66.25 | \$66.25 | \$66.25 | | | | | |
| Uncontracted Coal | | | | | | \$57.00 | \$57.00 | \$57.00 | \$57.00 | \$59.00 | \$59.00 | \$59.00 | \$59.00 | | | | | |
| NAPP | \$41.43 | \$42.97 | \$45.30 | \$46.03 | \$45.09 | \$56.55 | \$56.55 | \$56.55 | \$56.55 | \$61.83 | \$61.83 | \$61.83 | \$61.83 | \$44.85 | \$56.55 | \$61.83 | \$55.00 | \$55.00 |
| Contracted Coal | | | | | | \$88.00 | \$82.50 | \$82.50 | \$82.50 | \$73.00 | \$73.00 | \$73.00 | \$73.00 | | | | | |
| Uncontracted Coal | | | | | | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$52.00 | \$52.00 | \$52.00 | \$52.00 | | | | | |
| CAPP | \$53.75 | \$58.04 | \$67.24 | \$75.13 | \$85.24 | \$84.20 | \$79.25 | \$79.25 | \$79.25 | \$60.19 | \$60.19 | \$60.19 | \$60.19 | \$71.41 | \$80.49 | \$60.19 | \$52.00 | \$52.00 |
| Other Coal | \$36.61 | \$54.60 | \$66.42 | \$99.63 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$50.00 | \$67.66 | \$50.00 | \$50.00 | \$50.00 | \$50.00 |
| Blended Avg Per Ton | \$19.70 | \$21.96 | \$23.82 | \$22.73 | \$25.48 | \$23.45 | \$24.91 | \$24.73 | \$24.91 | \$23.22 | \$23.22 | \$23.22 | \$23.22 | \$23.50 | \$24.50 | \$23.22 | \$20.24 | \$20.24 |
| PRB Cost of Coal Sales / Ton | | | | \$8.32 | \$8.50 | \$8.82 | \$8.86 | \$8.91 | \$8.88 | \$8.54 | \$8.57 | \$8.60 | \$8.64 | \$8.23 | \$8.87 | \$8.59 | \$8.25 | \$8.25 |
| NAPP Cost of Coal Sales / Ton | | | | \$38.55 | \$27.01 | \$42.37 | \$34.61 | \$34.79 | \$34.94 | \$34.98 | \$35.17 | \$35.36 | \$35.55 | \$31.80 | \$36.68 | \$35.27 | \$35.00 | \$35.00 |
| CAPP Cost of Coal Sales / Ton | | | | \$65.86 | \$64.65 | \$64.98 | \$64.96 | \$65.40 | \$65.61 | \$62.76 | \$63.18 | \$63.62 | \$64.07 | \$58.53 | \$65.24 | \$63.41 | \$62.00 | \$62.00 |
| Other Coal Cost of Sales / Ton | | | | \$135.00 | \$80.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 | \$137.00 | \$70.00 | \$70.00 | \$70.00 | \$70.00 |
| Company Coal Cost of Sales / Ton | \$15.29 | \$17.10 | \$19.43 | \$19.83 | \$18.29 | \$18.61 | \$18.45 | \$18.46 | \$18.57 | \$16.93 | \$17.01 | \$17.10 | \$17.18 | \$18.65 | \$18.60 | \$17.06 | \$16.66 | \$16.66 |
| Coal Margin / Ton | \$4.40 | \$4.86 | \$4.39 | \$2.90 | \$7.19 | \$4.84 | \$6.46 | \$6.27 | \$6.34 | \$6.29 | \$6.21 | \$6.13 | \$6.04 | \$4.84 | \$5.98 | \$6.17 | \$3.58 | \$3.58 |
| Coal Gross Profit | \$79.5 | \$89.7 | \$74.7 | \$51.1 | \$128.1 | \$82.1 | \$116.0 | \$112.0 | \$113.8 | \$114.9 | \$113.4 | \$111.8 | \$110.2 | \$343.6 | \$423.9 | \$450.3 | \$262.3 | \$262.3 |
| Other Revenues | 11.3 | 5.4 | 7.2 | 8.7 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 30.2 | 36.0 | 36.0 | 36.0 | 36.0 |
| Total Revenue | 367.1 | 410.6 | 412.0 | 409.4 | 463.3 | 406.7 | 456.3 | 450.7 | 456.3 | 433.0 | 433.0 | 433.0 | 433.0 | 1,695.3 | 1,770.0 | 1,731.9 | 1,517.5 | 1,517.5 |
| Total COGS (ex D&A) | 276.3 | 315.5 | 330.2 | 349.7 | 326.2 | 315.6 | 331.3 | 329.6 | 333.5 | 309.1 | 310.6 | 312.1 | 313.7 | 1,322.2 | 1,315.6 | 1,245.5 | 1,219.3 | 1,219.3 |
| SG&A | 15.1 | 19.8 | 17.4 | 16.0 | 15.9 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 69.1 | 68.0 | 68.0 | 68.0 | 68.0 |
| Plug (Costs) | 0.0 | (1.7) | 0.1 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (1.4) | 0.0 | 0.0 | 0.0 | 0.0 |
| Adjusted EBITDA | \$75.8 | \$77.0 | \$64.3 | \$43.5 | \$121.2 | \$74.1 | \$108.0 | \$104.0 | \$105.8 | \$106.9 | \$105.4 | \$103.8 | \$102.2 | \$306.1 | \$391.9 | \$418.3 | \$230.3 | \$230.3 |
| % margin | 20.6% | 18.8% | 15.6% | 10.6% | 26.2% | 18.2% | 23.7% | 23.1% | 23.2% | 24.7% | 24.3% | 24.0% | 23.6% | 18.0% | 22.2% | 24.2% | 15.2% | 15.2% |
| Less: Deriv Losses / (Gains) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Eagle Butte NBA Payment | - | - | - | - | - | (9.0) | (9.0) | (9.0) | (9.0) | (9.0) | (9.0) | (9.0) | (9.0) | - | (36.0) | (36.0) | (36.0) | (36.0) |
| Less: CapEx | (53.6) | (35.3) | (31.4) | (44.2) | (40.0) | (53.8) | (53.8) | (53.8) | (53.8) | (40.0) | (40.0) | (40.0) | (40.0) | (150.8) | (215.0) | (160.0) | (150.0) | (150.0) |
| Less: Changes in W/C | (0.0) | (9.5) | 23.9 | (26.4) | - | - | - | - | - | - | - | - | - | (12.1) | - | - | - | - |
| Less: Revolver Interest Exp | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Cash Interest (ex RC) | (6.5) | (16.4) | (4.4) | (14.9) | (5.0) | (15.0) | (5.0) | (15.0) | (5.0) | (15.0) | (5.0) | (15.0) | (5.0) | (40.7) | (40.0) | (40.0) | (40.0) | (40.0) |
| Less: Cash Taxes | (1.4) | 0.3 | (8.1) | (0.6) | (13.6) | (1.8) | (10.2) | (9.3) | (9.7) | (10.0) | (9.6) | (9.2) | (8.8) | (22.0) | (31.0) | (37.6) | 9.4 | 9.4 |
| Less: Non-Cash Stock Comp | 2.0 | 6.1 | 1.9 | 2.1 | - | - | - | - | - | - | - | - | - | 10.2 | - | - | - | - |
| Less: Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Free Cash Flow | \$16.3 | \$22.2 | \$46.1 | (\$40.4) | \$62.7 | (\$5.4) | \$30.0 | \$17.0 | \$28.3 | \$32.9 | \$41.8 | \$30.6 | \$39.4 | \$90.6 | \$69.9 | \$144.7 | \$13.7 | \$13.7 |
| Beginning Cash | | \$50.1 | \$23.1 | \$71.7 | \$23.6 | \$86.3 | \$80.9 | \$110.9 | \$127.9 | \$156.3 | \$189.2 | \$231.0 | \$261.6 | \$50.1 | \$86.3 | \$156.3 | \$301.0 | \$314.7 |
| Ending Cash | \$50.1 | \$23.1 | \$71.7 | \$23.6 | \$86.3 | \$80.9 | \$110.9 | \$127.9 | \$156.3 | \$189.2 | \$231.0 | \$261.6 | \$301.0 | \$86.3 | \$156.3 | \$301.0 | \$314.7 | \$328.4 |
| Beginning Revolver | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Revolving Drawdowns | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Ending Revolver | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Non-Revolver Debt | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 |
| Net Debt | \$549.7 | \$576.7 | \$528.1 | \$576.1 | \$513.5 | \$518.9 | \$488.9 | \$471.9 | \$443.5 | \$410.6 | \$368.8 | \$338.2 | \$298.8 | \$513.5 | \$443.5 | \$298.8 | \$285.1 | \$271.4 |
| Rolling LTM Adj EBITDA | \$298.1 | \$278.2 | \$278.9 | \$260.6 | \$306.1 | \$303.2 | \$346.9 | \$407.4 | \$391.9 | \$424.7 | \$422.1 | \$421.9 | \$418.3 | \$306.1 | \$391.9 | \$418.3 | \$230.3 | \$230.3 |

| Projection Model | | | | | | | | | | | | | | | | | | |
|-------------------------------|----------------|----------------|------------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual | | | | Projected | | | | | | | | | | | | | |
| | 12/31/07 | 3/31/08 | 6/30/08 | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| Capitalization | | | | | | | | | | | | | | | | | | |
| Total Debt | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 | 599.8 |
| Less Cash | (50.1) | (23.1) | (71.7) | (23.6) | (86.3) | (80.9) | (110.9) | (127.9) | (156.3) | (189.2) | (231.0) | (261.6) | (301.0) | (86.3) | (156.3) | (301.0) | (314.7) | (328.4) |
| Net Debt | 549.7 | 576.7 | 528.1 | 576.1 | 513.5 | 518.9 | 488.9 | 471.9 | 443.5 | 410.6 | 368.8 | 338.2 | 298.8 | 513.5 | 443.5 | 298.8 | 285.1 | 271.4 |
| 3/24/09 | | | | | | | | | | | | | | | | | | |
| Share Price | \$52.50 | \$50.33 | \$88.58 | \$35.58 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 | \$16.85 |
| Shares O/S | 45.2 | 45.2 | 45.4 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 | 45.5 |
| Market Cap | 2,373.4 | 2,273.0 | 4,018.3 | 1,617.8 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 | 766.1 |
| TEV | 2,923.1 | 2,849.6 | 4,546.4 | 2,193.9 | 1,279.6 | 1,285.0 | 1,255.0 | 1,238.0 | 1,209.7 | 1,176.7 | 1,135.0 | 1,104.3 | 1,064.9 | 1,279.6 | 1,209.7 | 1,064.9 | 1,051.2 | 1,037.5 |
| Rolling LTM Adj EBITDA | 298.1 | 278.2 | 278.9 | 260.6 | 306.1 | 303.2 | 346.9 | 407.4 | 391.9 | 424.7 | 422.1 | 421.9 | 418.3 | 306.1 | 391.9 | 418.3 | 230.3 | 230.3 |
| EV / EBITDA | 9.8x | 10.2x | 16.3x | 8.4x | 4.2x | 4.2x | 3.6x | 3.0x | 3.1x | 2.8x | 2.7x | 2.6x | 2.5x | 4.2x | 3.1x | 2.5x | 4.6x | 4.5x |
| PRB | | | | | | | | | | | | | | | | | | |
| Costs Per Ton buckets | % of | Annual | Quarterly | | | | | | | | | | | | | | | |
| | Costs | Growth | Growth | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| Labor | 17.0% | 5% | 1.1% | \$1.41 | \$1.45 | \$1.71 | \$1.73 | \$1.75 | \$1.77 | \$1.79 | \$1.81 | \$1.83 | \$1.85 | | \$1.74 | \$1.82 | | |
| Diesel | 13.0% | 5% | 1.3% | \$1.08 | \$1.11 | \$1.12 | \$1.13 | \$1.15 | \$1.09 | \$0.65 | \$0.65 | \$0.65 | \$0.65 | \$1.12 | \$0.65 | | | |
| Repairs and Maintenance Compo | 15.0% | -4% | (1.0%) | \$1.25 | \$1.28 | \$1.26 | \$1.25 | \$1.24 | \$1.22 | \$1.21 | \$1.20 | \$1.19 | \$1.18 | \$1.24 | \$1.19 | | | |
| Operating Supplies | 5.0% | -4% | (1.0%) | \$0.42 | \$0.43 | \$0.42 | \$0.42 | \$0.41 | \$0.41 | \$0.40 | \$0.40 | \$0.40 | \$0.39 | \$0.41 | \$0.40 | | | |
| Transportation and Loading | 1.0% | 5% | 1.3% | \$0.08 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | \$0.09 | | | |
| Explosives | 4.0% | 5% | 1.3% | \$0.33 | \$0.34 | \$0.34 | \$0.35 | \$0.35 | \$0.36 | \$0.36 | \$0.37 | \$0.37 | \$0.38 | \$0.35 | \$0.37 | | | |
| Royalties and Taxes | 27.0% | Prop with | Sales | \$2.25 | \$2.30 | \$2.33 | \$2.33 | \$2.33 | \$2.33 | \$2.40 | \$2.40 | \$2.40 | \$2.40 | \$2.33 | \$2.40 | | | |
| Outside Services | 5.0% | 5% | 1.3% | \$0.42 | \$0.43 | \$0.43 | \$0.44 | \$0.44 | \$0.45 | \$0.45 | \$0.46 | \$0.46 | \$0.47 | \$0.44 | \$0.46 | | | |
| Rental and G&A | 4.0% | 5% | 1.3% | \$0.33 | \$0.34 | \$0.34 | \$0.35 | \$0.35 | \$0.36 | \$0.36 | \$0.37 | \$0.37 | \$0.38 | \$0.35 | \$0.37 | | | |
| Other | 9.0% | 5% | 1.3% | \$0.75 | \$0.77 | \$0.77 | \$0.78 | \$0.79 | \$0.80 | \$0.81 | \$0.82 | \$0.83 | \$0.84 | \$0.79 | \$0.83 | | | |
| Total | 100.0% | | | \$8.32 | \$8.50 | \$8.82 | \$8.86 | \$8.91 | \$8.88 | \$8.54 | \$8.57 | \$8.60 | \$8.64 | \$8.23 | \$8.87 | \$8.59 | \$8.25 | \$8.25 |
| NAPP | | | | | | | | | | | | | | | | | | |
| Costs Per Ton buckets | % of | Annual | Quarterly | | | | | | | | | | | | | | | |
| | Costs | Growth | Growth | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 1/6/00 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| Labor | 48.0% | 5% | 1.3% | \$18.50 | \$12.96 | \$20.50 | \$16.98 | \$17.19 | \$17.40 | \$17.62 | \$17.84 | \$18.07 | \$18.29 | \$18.02 | \$17.96 | | | |
| Diesel | 1.0% | 5% | 1.3% | \$0.39 | \$0.27 | \$0.52 | \$0.53 | \$0.54 | \$0.51 | \$0.31 | \$0.31 | \$0.31 | \$0.31 | \$0.52 | \$0.31 | | | |
| Repairs and Maintenance Compo | 12.5% | -5% | (1.3%) | \$4.82 | \$3.38 | \$4.82 | \$4.29 | \$4.24 | \$4.19 | \$4.13 | \$4.08 | \$4.03 | \$3.98 | \$4.38 | \$4.06 | | | |
| Operating Supplies | 14.0% | -5% | (1.3%) | \$5.40 | \$3.78 | \$5.90 | \$4.69 | \$4.63 | \$4.57 | \$4.51 | \$4.46 | \$4.40 | \$4.35 | \$4.95 | \$4.43 | | | |
| Transportation and Loading | 2.0% | 2% | 0.5% | \$0.77 | \$0.54 | \$0.79 | \$0.55 | \$0.55 | \$0.55 | \$0.55 | \$0.56 | \$0.56 | \$0.56 | \$0.61 | \$0.56 | | | |
| Explosives | 0.0% | 4% | 1.0% | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | | |
| Royalties & Taxes | 2.0% | 1% | 0.3% | \$0.77 | \$0.54 | \$0.68 | \$0.68 | \$0.68 | \$0.68 | \$0.75 | \$0.75 | \$0.75 | \$0.75 | \$0.68 | \$0.75 | | | |
| Utilities | 5.0% | 4% | 1.0% | \$1.93 | \$1.35 | \$2.18 | \$1.63 | \$1.64 | \$1.66 | \$1.68 | \$1.69 | \$1.71 | \$1.73 | \$1.78 | \$1.70 | | | |
| Outside Services | 8.0% | 3% | 0.8% | \$3.08 | \$2.16 | \$3.58 | \$2.69 | \$2.71 | \$2.73 | \$2.75 | \$2.78 | \$2.80 | \$2.82 | \$2.93 | \$2.79 | | | |
| Other | 7.5% | 5% | 1.3% | \$2.89 | \$2.03 | \$3.39 | \$2.58 | \$2.61 | \$2.64 | \$2.67 | \$2.71 | \$2.74 | \$2.78 | \$2.80 | \$2.73 | | | |
| Total | 100.0% | | | \$38.55 | \$27.01 | \$42.37 | \$34.61 | \$34.79 | \$34.94 | \$34.98 | \$35.17 | \$35.36 | \$35.55 | \$31.80 | \$36.68 | \$35.27 | \$35.00 | \$35.00 |
| CAPP | | | | | | | | | | | | | | | | | | |
| Costs Per Ton buckets | % of | Annual | Quarterly | | | | | | | | | | | | | | | |
| | Costs | Growth | Growth | 9/30/08 | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 1/0/00 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 |
| Labor | 33.0% | 7% | 1.8% | \$21.73 | \$21.33 | \$21.71 | \$22.09 | \$22.47 | \$22.87 | \$23.27 | \$23.67 | \$24.09 | \$24.51 | \$22.28 | \$23.89 | | | |
| Diesel | 6.0% | 5% | 1.3% | \$3.95 | \$3.88 | \$3.93 | \$3.98 | \$4.03 | \$3.82 | \$2.29 | \$2.29 | \$2.29 | \$2.29 | \$3.94 | \$2.29 | | | |
| Repairs and Maintenance Compo | 13.5% | (4%) | (1.0%) | \$8.89 | \$8.73 | \$8.64 | \$8.55 | \$8.47 | \$8.38 | \$8.30 | \$8.22 | \$8.13 | \$8.05 | \$8.51 | \$8.18 | | | |
| Operating Supplies | 12.0% | (4%) | (1.0%) | \$7.90 | \$7.76 | \$7.68 | \$7.60 | \$7.53 | \$7.45 | \$7.38 | \$7.30 | \$7.23 | \$7.16 | \$7.57 | \$7.27 | | | |
| Transportation and Loading | 8.0% | 2% | 0.5% | \$5.27 | \$5.17 | \$5.20 | \$5.22 | \$5.25 | \$5.28 | \$5.30 | \$5.33 | \$5.36 | \$5.38 | \$5.24 | \$5.34 | | | |
| Explosives | 2.0% | 5% | 1.3% | \$1.32 | \$1.29 | \$1.31 | \$1.33 | \$1.34 | \$1.36 | \$1.38 | \$1.39 | \$1.41 | \$1.43 | \$1.33 | \$1.40 | | | |
| Royalties & Taxes | 12.0% | Prop with | Sales | \$7.90 | \$7.76 | \$7.66 | \$7.21 | \$7.21 | \$7.21 | \$5.48 | \$5.48 | \$5.48 | \$5.48 | \$7.33 | \$5.48 | | | |
| Outside Services | 5.0% | 5% | 1.3% | \$3.29 | \$3.23 | \$3.27 | \$3.31 | \$3.36 | \$3.40 | \$3.44 | \$3.48 | \$3.53 | \$3.57 | \$3.33 | \$3.50 | | | |
| Other | 8.5% | 6% | 1.5% | \$5.60 | \$5.50 | \$5.58 | \$5.66 | \$5.75 | \$5.83 | \$5.92 | \$6.01 | \$6.10 | \$6.19 | \$5.70 | \$6.05 | | | |
| Total | 100.0% | | | \$65.86 | \$64.65 | \$64.98 | \$64.96 | \$65.40 | \$65.61 | \$62.76 | \$63.18 | \$63.62 | \$64.07 | \$58.53 | \$65.24 | \$63.41 | \$62.00 | \$62.00 |
| Tax Schedule | | | | | | | | | | | | | | | | | | |
| | | | | 12/31/08 | 3/31/09 | 6/30/09 | 9/30/09 | 12/31/09 | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 1/0/00 | 12/31/09 | 12/31/10 | 12/31/11 | 12/31/12 | |
| EBITDA | | | | \$121.2 | \$74.1 | \$108.0 | \$104.0 | \$105.8 | \$106.9 | \$105.4 | \$103.8 | \$102.2 | \$407.4 | \$391.9 | \$418.3 | \$230.3 | \$230.3 | |
| D&A | | | | (55.0) | (55.0) | (55.0) | (55.0) | (55.0) | (55.0) | (55.0) | (55.0) | (55.0) | (220.0) | (220.0) | (220.0) | (220.0) | (220.0) | |
| Interest | | | | (12.0) | (12.0) | (12.0) | (12.0) | (12.0) | (12.0) | (12.0) | (12.0) | (12.0) | (48.0) | (48.0) | (48.0) | (48.0) | (48.0) | |
| Pre-Tax Income | | | | 54.2 | 7.1 | 41.0 | 37.0 | 38.8 | 39.9 | 38.4 | 36.8 | 35.2 | 139.4 | 123.9 | 150.3 | (37.7) | (37.7) | |
| Tax Rate | | | | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | |
| Estimated Tax | | | | 13.6 | 1.8 | 10.2 | 9.3 | 9.7 | 10.0 | 9.6 | 9.2 | 8.8 | 34.8 | 31.0 | 37.6 | (9.4) | (9.4) | |

| Capitalization | | | | | | | | | |
|-----------------------------|--------|----------------|-------------|----------|---------|----------------|-------------|-------|-------|
| Description | Coupon | Amount | Mlt EBITDA | Maturity | Price | At Mkt | Mlt EBITDA | YTM | Yield |
| Revolver ⁽¹⁾ | | \$0.0 | | Mar-13 | 100.00% | \$0.0 | | 7.11% | 7.11% |
| Term Loan | | 301.5 | | Mar-14 | 100.00% | 301.5 | | | |
| Total 1st Lien Debt | | 301.5 | 1.0x | | | \$301.5 | 1.0x | | |
| 7.25% Senior Notes due 2016 | 7.250% | 298.3 | | Nov-16 | 88.00% | 262.5 | | 9.52% | 8.24% |
| Total Debt | | 599.8 | 2.0x | | | 564.0 | 1.9x | | |
| Market Cap | | 754.0 | | | | 754.0 | | | |
| TEV | | 1,311.5 | 4.4x | | | 1,275.7 | 4.3x | | |
| Less: Cash | | 42.3 | | | | 42.3 | | | |
| Net Debt | | 557.5 | 1.9x | | | 521.7 | 1.7x | | |

(1) \$500mm facility size. \$171mm LCs, leaving \$329 of availability.

| Summary of Operations | | | | | | | | | | | | | | | | |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|------------------|
| (\$ in millions) | Fiscal Year Ending | | | | | | | Quarter Ending | | | | | | | LTM | |
| | Est. | | | | | | | | | | | | | | | |
| | 31-Dec-05 | 31-Dec-06 | 31-Dec-07 | 31-Dec-08 | 31-Dec-09 | 31-Dec-10 | 31-Dec-11 | 31-Mar-07 | 30-Jun-07 | 30-Sep-07 | 31-Dec-07 | 31-Mar-08 | 30-Jun-08 | 30-Sep-08 | | 31-Dec-08 |
| Coal Sales | 1,292.4 | 1,440.2 | 1,452.7 | 1,663.1 | | | | 386.2 | 359.8 | 350.8 | 355.9 | 406.9 | 404.8 | 400.7 | 450.7 | 1,663.1 |
| Other Revenue | 24.5 | 30.2 | 37.0 | 27.1 | | | | 8.7 | 8.7 | 8.3 | 11.3 | 5.4 | 7.2 | 8.7 | 5.9 | 27.1 |
| Net Sales | \$1,316.9 | \$1,470.3 | \$1,489.7 | \$1,690.1 | \$1,863.4 | \$1,930.6 | \$2,079.3 | \$394.9 | \$368.5 | \$359.1 | \$367.2 | \$412.3 | \$411.9 | \$409.4 | \$456.5 | \$1,690.1 |
| Year/Year Growth | n.a. | 11.6% | 1.3% | 13.5% | 10.3% | 3.6% | 7.7% | n.a. | n.a. | n.a. | n.a. | 4.4% | 11.8% | 14.0% | 24.3% | n.a. |
| Quarter/Quarter Growth | n.a. | n.a. | n.a. | n.a. | | | | n.a. | -6.7% | -2.6% | 2.3% | 12.3% | -0.1% | -0.6% | 11.5% | n.a. |
| Cost of Goods Sold (excl. D&A) | 936.2 | 1,110.9 | 1,131.5 | 1,321.6 | | | | 284.2 | 287.8 | 283.1 | 276.3 | 315.5 | 330.2 | 349.9 | 326.0 | 1,321.6 |
| Gross Margin | 380.7 | 359.4 | 358.2 | 368.5 | | | | 110.7 | 80.6 | 76.0 | 90.9 | 96.8 | 81.7 | 59.5 | 130.5 | 368.5 |
| % Gross margin | 28.9% | 24.4% | 24.0% | 21.8% | | | | 28.0% | 21.9% | 21.2% | 24.7% | 23.5% | 19.8% | 14.5% | 28.6% | 21.8% |
| SG&A (excl. D&A) | 50.7 | 53.2 | 60.1 | 69.1 | | | | 13.8 | 17.0 | 14.3 | 15.1 | 19.8 | 17.4 | 16.0 | 15.9 | 69.1 |
| % Revenue | 3.9% | 3.6% | 4.0% | 4.1% | | | | 3.5% | 4.6% | 4.0% | 4.1% | 4.8% | 4.2% | 3.9% | 3.5% | 4.1% |
| EBITDA | \$330.0 | \$306.2 | \$298.1 | \$299.4 | \$416.4 | \$450.7 | \$527.9 | \$96.9 | \$63.7 | \$61.7 | \$75.8 | \$77.0 | \$64.3 | \$43.5 | \$114.6 | \$299.4 |
| % EBITDA margin | 25.1% | 20.8% | 20.0% | 17.7% | 22.3% | 23.3% | 25.4% | 24.5% | 17.3% | 17.2% | 20.6% | 18.7% | 15.6% | 10.6% | 25.1% | 17.7% |
| EBITDA CHECK | 329.4 | 305.4 | 292.9 | | | | | 96.5 | 61.4 | 59.8 | 75.1 | 77.0 | 64.3 | 28.6 | | 169.9 |
| Stock-Based Comp | 1.6 | 3.0 | 6.6 | 13.6 | | | | 1.7 | 1.3 | 1.6 | 2.0 | 6.1 | 1.9 | 2.1 | 3.4 | 13.6 |
| D&A | 136.4 | 209.4 | 208.8 | 225.0 | | | | 52.3 | 51.8 | 51.4 | 53.3 | 55.9 | 55.6 | 55.0 | 58.5 | 225.0 |
| EBIT | \$193.6 | \$96.9 | \$89.3 | \$74.4 | | | | \$44.5 | \$11.9 | \$10.3 | \$22.5 | \$21.1 | \$8.7 | (\$11.5) | \$56.2 | \$74.4 |
| % EBIT margin | 14.7% | 6.6% | 6.0% | 4.4% | | | | 11.3% | 3.2% | 2.9% | 6.1% | 5.1% | 2.1% | -2.8% | 12.3% | 4.4% |
| Less: CapEx | (\$140.2) | (\$201.9) | (\$174.4) | (\$156.9) | (\$215.0) | | | (\$48.1) | (\$28.0) | (\$44.7) | (\$53.6) | (\$35.3) | (\$31.4) | (\$44.2) | (\$46.1) | (\$156.9) |
| EBITDA Less CapEx | \$189.8 | \$104.4 | \$123.7 | \$142.5 | \$201.4 | | | \$48.8 | \$35.7 | \$17.0 | \$22.2 | \$41.8 | \$32.9 | (\$0.7) | \$68.5 | \$142.5 |
| Less: Cash Interest Expense | (48.0) | (48.6) | (47.1) | (40.3) | | | | (17.2) | (6.3) | (17.1) | (6.5) | (16.4) | (4.4) | (14.9) | (4.6) | (40.3) |
| Less: Cash Taxes | (33.2) | (17.3) | (12.2) | (12.3) | | | | 0.5 | (11.2) | (0.2) | (1.4) | 0.3 | (8.1) | (0.6) | (3.9) | (12.3) |
| Levered FCF ex. W/C | \$108.6 | \$38.5 | \$64.4 | \$89.8 | | | | \$32.1 | \$18.2 | (\$0.3) | \$14.3 | \$25.6 | \$20.3 | (\$16.2) | \$60.0 | \$89.8 |
| Less: Change in Net Working Capita | (71.3) | 7.4 | 24.9 | (13.7) | | | | (19.1) | 45.0 | (1.0) | (0.0) | (9.5) | 23.9 | (26.4) | (1.6) | (13.7) |
| Free Cash Flow | \$37.3 | \$45.8 | \$89.2 | \$76.1 | | | | \$13.0 | \$63.3 | (\$1.3) | \$14.3 | \$16.1 | \$44.1 | (\$42.6) | \$58.4 | \$76.1 |
| Other Items | | | | \$18.64 | | | | | | | \$15.30 | \$17.10 | \$19.43 | \$19.84 | | |
| Cash Flow From Operations Less Cap | \$44.0 | \$23.8 | \$66.6 | \$77.2 | | | | \$3.7 | \$55.7 | (\$5.5) | \$12.7 | \$20.3 | \$44.8 | (\$23.6) | \$35.7 | \$77.2 |
| Cash Spent on Acquisitions | 0.0 | (14.7) | 0.0 | 0.0 | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash from Divestitures | 0.0 | 0.0 | 0.0 | 0.0 | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net Income Excl. Extraordinary | 88.9 | 31.4 | 32.6 | 11.6 | | | | 24.6 | (3.8) | 1.9 | 9.9 | 6.2 | (4.4) | (32.2) | 42.0 | 11.6 |
| EPS Excl. Extraordinary | \$1.92 | \$0.67 | \$0.70 | \$0.26 | \$2.51 | \$2.81 | | \$0.53 | (\$0.08) | \$0.04 | \$0.21 | \$0.13 | (\$0.10) | (\$0.71) | \$0.93 | \$0.26 |
| Total Assets | 2,008.1 | 1,949.6 | 1,908.2 | 1,968.1 | | | | 1,935.4 | 1,963.6 | 1,949.8 | 1,908.2 | 1,918.5 | 1,938.6 | 1,897.9 | 1,968.1 | 1,968.1 |
| Book Equity | 339.3 | 297.8 | 336.3 | 224.4 | | | | 308.9 | 336.5 | 328.4 | 336.3 | 348.3 | 350.2 | 289.4 | 224.4 | 224.4 |
| PRB Tons sold | 43,612 | 49,918 | 51,617 | 49,197 | | | | 12,637 | 12,830 | 13,315 | 12,835 | 12,603 | 11,575 | 13,017 | 12,002 | 49,197 |
| PRB Avg Coal Sales Realization / Ton | \$7.47 | \$8.39 | \$9.08 | \$10.11 | | | | \$9.13 | \$9.25 | \$9.05 | \$8.90 | \$10.10 | \$10.05 | \$10.02 | \$10.27 | \$10.11 |
| NAPP Tons sold | 13,678 | 13,798 | 12,993 | 14,398 | | | | 3,600 | 3,233 | 2,959 | 3,201 | 4,072 | 3,450 | 2,798 | 4,078 | 14,398 |
| NAPP Avg Coal Sales Realization / To | \$35.00 | \$38.81 | \$40.14 | \$44.72 | | | | \$40.61 | \$39.51 | \$38.86 | \$41.43 | \$42.97 | \$45.30 | \$46.03 | \$45.09 | \$44.72 |
| CAPP Tons sold | 8,936 | 8,870 | 8,484 | 6,913 | | | | 2,161 | 2,151 | 2,151 | 2,021 | 1,750 | 1,849 | 1,621 | 1,693 | 6,913 |
| CAPP Avg Coal Sales Realization per | \$45.37 | \$50.16 | \$52.60 | \$71.17 | | | | \$52.41 | \$51.62 | \$52.69 | \$53.75 | \$58.04 | \$67.24 | \$75.13 | \$85.24 | \$71.17 |
| Other Tons Sold | 2,555 | 1,334 | 501 | 400 | | | | 406 | 40 | 45 | 10 | 26 | 119 | 198 | 57 | 400 |
| Other Avg Coal Sales Realization per Ton | | | \$31.97 | \$85.99 | | | | \$27.98 | \$59.62 | \$42.05 | \$36.61 | \$54.60 | \$66.42 | \$99.63 | NM | \$85.99 |
| Company Tons Sold | 68,781 | 73,920 | 73,595 | 70,857 | | | | 18,804 | 18,254 | 18,470 | 18,067 | 18,451 | 16,993 | 17,634 | 17,779 | 70,857 |
| Company Avg Coal Sales Realization | \$18.79 | \$19.48 | \$19.74 | \$23.47 | | | | \$20.54 | \$19.71 | \$18.99 | \$19.70 | \$22.06 | \$23.82 | \$22.72 | \$25.35 | \$23.47 |
| Company Cost of Coal Sales Per Ton | \$14.26 | \$15.03 | \$15.37 | \$18.65 | | | | \$15.12 | \$15.77 | \$15.33 | n.a. | \$17.10 | \$19.43 | \$19.84 | \$18.29 | \$18.65 |
| PRB Cost of Coal Sales Per Ton | | | \$6.45 | \$8.23 | | | | n.a. | n.a. | \$6.47 | \$8.33 | n.a. | n.a. | \$8.32 | \$8.50 | \$8.23 |
| NAPP Cost of Coal Sales Per Ton | | | \$27.31 | \$31.80 | | | | n.a. | n.a. | \$29.49 | \$47.39 | n.a. | n.a. | \$38.55 | \$27.01 | \$31.80 |
| CAPP Cost of Coal Sales Per Ton | | | \$46.68 | \$58.53 | | | | n.a. | n.a. | \$45.90 | \$65.97 | n.a. | n.a. | \$65.86 | \$64.65 | \$58.53 |
| PRB Increase in Cost of Coal Sales per Ton | | 6.0% | 5.7% | 27.6% | | | | n.a. | n.a. | n.a. | n.a. | 24.0% | 27.0% | 28.6% | 2.0% | 27.6% |
| NAPP Increase in Cost of Coal Sales per Ton | | 14.0% | 15.2% | 16.4% | | | | n.a. | n.a. | n.a. | n.a. | 25.0% | 19.0% | 30.7% | (43.0%) | 16.4% |
| CAPP Increase in Cost of Coal Sales per Ton | | 16.0% | 3.9% | 25.4% | | | | n.a. | n.a. | n.a. | n.a. | 11.0% | 18.0% | 43.5% | (2.0%) | 25.4% |

| Summary of Operations | | | | | | | | | | | | | | | | |
|---|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| (\$ in millions) | Fiscal Year Ending | | | | Est. | | | Quarter Ending | | | | | | | LTM | |
| | 31-Dec-05 | 31-Dec-06 | 31-Dec-07 | 31-Dec-08 | 31-Dec-09 | 31-Dec-10 | 31-Dec-11 | 31-Mar-07 | 30-Jun-07 | 30-Sep-07 | 31-Dec-07 | 31-Mar-08 | 30-Jun-08 | 30-Sep-08 | 31-Dec-08 | 31-Dec-08 |
| Tons Sold | | | | | | | | | | | | | | | | |
| Powder River Basin | 43,612 | 49,918 | 51,617 | 49,197 | | | | 12,637 | 12,830 | 13,315 | 12,835 | 12,603 | 11,575 | 13,017 | 12,002 | 49,197 |
| Northern Appalachia | 13,678 | 13,798 | 12,993 | 14,398 | | | | 3,600 | 3,233 | 2,959 | 3,201 | 4,072 | 3,450 | 2,798 | 4,078 | 14,398 |
| Central Appalachia | 8,936 | 8,870 | 8,484 | 6,913 | | | | 2,161 | 2,151 | 2,151 | 2,021 | 1,750 | 1,849 | 1,621 | 1,693 | 6,913 |
| Illinois Basin and traded coal | 2,555 | 1,334 | 501 | 400 | | | | | | | | | | 200 | 85 | |
| Pricing | | | | | | | | | | | | | | | | |
| Powder River Basin | \$7.47 | \$8.39 | \$9.08 | \$10.11 | | | | \$9.13 | \$9.25 | \$9.05 | \$8.89 | \$10.10 | \$10.05 | \$10.02 | \$10.27 | \$10.11 |
| Northern Appalachia | \$35.00 | \$38.81 | \$40.14 | \$44.72 | | | | \$40.61 | \$39.51 | \$38.86 | \$41.43 | \$42.97 | \$45.30 | \$46.03 | \$45.09 | \$44.72 |
| Central Appalachia | \$45.37 | \$50.16 | \$52.60 | \$71.17 | | | | \$52.41 | \$51.62 | \$52.69 | \$53.75 | \$58.04 | \$67.24 | \$75.13 | \$85.24 | \$71.17 |
| Illinois Basin and traded coal | | | \$31.97 | \$85.99 | | | | | | | | | | \$99.63 | NM | \$85.99 |
| Cost of Coal Sales Per Ton | | | | | | | | | | | | | | | | |
| Powder River Basin | | | | | | | | | | \$6.47 | | | | \$8.32 | | |
| Northern Appalachia | | | | | | | | | | \$29.49 | | | | \$38.55 | | |
| Central Appalachia | | | | | | | | | | \$45.90 | | | | \$65.86 | | |
| Illinois Basin and traded coal | | | | | | | | | | | | | | | | |
| Total Revenues | | | | | | | | | | | | | | | | |
| Powder River Basin | \$325.8 | \$418.8 | \$468.7 | \$497.4 | | | | \$115.4 | \$118.7 | \$120.5 | \$114.1 | \$127.3 | \$116.3 | \$130.4 | \$123.3 | \$497.4 |
| Northern Appalachia | \$478.7 | \$535.5 | \$521.5 | \$643.9 | | | | \$146.2 | \$127.7 | \$115.0 | \$132.6 | \$175.0 | \$156.3 | \$128.8 | \$183.9 | \$643.9 |
| Central Appalachia | \$405.4 | \$444.9 | \$446.3 | \$492.0 | | | | \$113.3 | \$111.0 | \$113.3 | \$108.6 | \$101.6 | \$124.3 | \$121.8 | \$144.3 | \$492.0 |
| Illinois Basin and traded coal | \$0.0 | \$0.0 | \$16.0 | \$34.4 | | | | \$0.0 | \$0.0 | \$0.0 | \$16.0 | \$0.0 | \$0.0 | \$19.9 | n/a | n/a |
| Income from Ops | | | | | | | | | | | | | | | | |
| Powder River Basin | \$23.6 | \$47.0 | \$75.4 | \$25.6 | | | | \$20.8 | \$21.0 | \$18.8 | \$14.7 | \$12.8 | \$6.4 | \$1.1 | \$5.4 | \$25.6 |
| Northern Appalachia | \$174.6 | \$143.9 | \$91.7 | \$94.6 | | | | \$40.1 | \$13.8 | \$9.0 | \$28.7 | \$34.1 | \$12.8 | (\$1.4) | \$49.1 | \$94.6 |
| Central Appalachia | \$49.6 | \$10.6 | (\$3.0) | \$22.5 | | | | \$3.1 | (\$2.9) | \$2.9 | (\$6.0) | (\$2.7) | \$7.5 | (\$1.0) | \$18.8 | \$22.5 |
| Illinois Basin and traded coal | | | | | | | | | | | | | | | | |
| Committed and Priced | | | | | | | | | | | | | | | | |
| West | | | | | 97% | 59% | 29% | | | | | | | | | |
| East | | | | | 100% | 65% | 32% | | | | | | | | | |
| Pricing on Committed and Priced Coal | | | | | | | | | | | | | | | | |
| West | | | | | \$10.43 | \$11.16 | \$12.13 | | | | | | | | | |
| East | | | | | \$65.58 | \$68.06 | \$78.82 | | | | | | | | | |
| Expected Shipments | | | | | | | | | | | | | | | | |
| West | | | | | 55.0 | 55.0 | 55.0 | | | | | | | | | |
| East | | | | | 19.5 | 18.5 | 18.5 | | | | | | | | | |

| Summary of Operations | | | | | | | | | | | | | | | | |
|----------------------------------|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| (\$ in millions) | Fiscal Year Ending | | | | Est. | | | Quarter Ending | | | | | | LTM | | |
| | 31-Dec-05 | 31-Dec-06 | 31-Dec-07 | 31-Dec-08 | 31-Dec-09 | 31-Dec-10 | 31-Dec-11 | 31-Mar-07 | 30-Jun-07 | 30-Sep-07 | 31-Dec-07 | 31-Mar-08 | 30-Jun-08 | 30-Sep-08 | 31-Dec-08 | 31-Dec-08 |
| Rolling LTM Figures | | | | | | | | | | | | | | | | |
| EBITDA | \$330.0 | \$306.2 | \$298.1 | \$299.4 | \$416.4 | \$450.7 | \$527.9 | | | | \$298.1 | \$278.2 | \$278.9 | \$260.6 | \$299.4 | \$299.4 |
| EBITDA Less Capex | 189.8 | 104.4 | 123.7 | 142.5 | | | | | | | 123.7 | 116.7 | 113.9 | 96.1 | 142.5 | 142.5 |
| Capitalization | | | | | | | | | | | | | | | | |
| Total Debt | \$635.0 | \$626.6 | \$599.8 | \$599.8 | | | | | | | \$599.8 | \$599.8 | \$599.8 | \$599.8 | \$599.8 | \$599.8 |
| Less: Cash and Equivalents | (22.4) | (33.7) | (50.1) | (42.3) | | | | | | | (50.1) | (23.1) | (71.7) | (23.6) | (42.3) | (23.6) |
| Net Debt | \$612.6 | \$592.9 | \$549.7 | \$557.5 | | | | | | | \$549.7 | \$576.7 | \$528.1 | \$576.1 | \$557.5 | \$576.1 |
| Stock Price | \$38.00 | \$31.76 | \$52.50 | \$16.85 | | | | | | | \$52.50 | \$50.33 | \$88.58 | \$35.58 | \$14.02 | \$16.85 |
| Shares O/S | 44.6 | 45.4 | 45.2 | 44.6 | | | | | | | 45.2 | 45.2 | 45.4 | 45.5 | 44.6 | 44.6 |
| Market Cap ⁽¹⁾ | 1,695.9 | 1,443.0 | 2,373.4 | 754.0 | | | | | | | 2,373.4 | 2,273.0 | 4,018.3 | 1,617.8 | 624.7 | 754.0 |
| TEV | \$2,308.5 | \$2,035.9 | \$2,923.1 | \$1,311.5 | | | | | | | \$2,923.1 | \$2,849.6 | \$4,546.4 | \$2,193.9 | \$1,182.1 | \$1,330.2 |
| Financial Ratios | | | | | | | | | | | | | | | | |
| TEV / EBITDA | 7.0x | 6.6x | 9.8x | 4.4x | 3.2x | 3.0x | 2.5x | | | | 9.8x | 10.2x | 16.3x | 8.4x | 3.9x | 4.4x |
| TEV / EBITDA - CapEx | 12.2x | 19.5x | 23.6x | 9.2x | | | | | | | 23.6x | 24.4x | 39.9x | 22.8x | 8.3x | 9.3x |
| ROE | | 9.9% | 10.3% | 4.1% | | | | | | | 10.1% | 4.3% | 4.0% | (6.7%) | 4.1% | (6.7%) |
| ROA | | 1.6% | 1.7% | 0.6% | | | | | | | 1.7% | 0.7% | 0.7% | (1.1%) | 0.6% | (1.1%) |
| ROIC (assume 35% tax) | | 7.1% | 6.5% | 6.2% | | | | | | | 6.5% | 4.6% | 4.6% | 3.1% | 6.2% | 6.0% |
| Leverage Ratios | | | | | | | | | | | | | | | | |
| Total Debt / LTM EBITDA | 1.9x | 2.0x | 2.0x | 2.0x | | | | | | | 2.0x | 2.2x | 2.2x | 2.3x | 2.0x | 2.0x |
| Net Debt / LTM EBITDA | 1.9x | 1.9x | 1.8x | 1.9x | | | | | | | 1.8x | 2.1x | 1.9x | 2.2x | 1.9x | 1.9x |
| LTM EBITDA / LTM Interest | 6.9x | 6.3x | 6.3x | 7.4x | | | | | | | 6.3x | 6.0x | 6.3x | 6.2x | 7.4x | 7.4x |
| (LTM EBITDA-LTM CAPEX) / LTM Int | 4.0x | 2.1x | 2.6x | 3.5x | | | | | | | 2.6x | 2.5x | 2.6x | 2.3x | 3.5x | 3.5x |

FCL Mines

| | # of Mines | Type | Mining Technol | Transport | Tons sold in 2007 |
|------------------------------------|-----------------------|-------------|----------------------------|---------------------|------------------------------|
| <u>Wyoming (PRB)</u> | | | | | |
| Belle Ayr | 1 | Surface | Truck-and-shovel | BNSF, UP | 26.6 |
| Eagle Butte | 1 | Surface | Truck-and-shovel | BNSF, Truck | 25.0 |
| <u>Pennsylvania (NAPP)</u> | | | | | |
| Cumberland | 1 | Underground | Longwall | Barge, Truck | 7.2 |
| Emerald | 1 | Underground | Longwall | CSX, NS, Truck | 5.8 |
| <u>West Virginia (CAPP)</u> | | | | | |
| Kingston | 2 | Underground | Room-and-Pillar | Barge, CSX, NS | 1.1 → 1.5mm tons is met coa |
| Laurel Creek | 4 | Underground | Room-and-Pillar | Barge, CSX | 1.6 ↗ |
| Rockspring | 1 | Underground | Room-and-Pillar | NS, Truck | 2.6 |
| Pioneer | 2 | Surface | Truck and Front-End Loader | Barge, NS, CSX/RJCC | 1.6 ↗ |
| Purchased and Resold Coal | | | | | 1.6 → 0.8 is metcoal |
| <u>Other</u> | | | | | |
| Purch and Resold Coal | | | | | 0.1 |
| Wabash mine | | | | | 0.4 |
| Total | | | | | 73.6 |

| Operating Segments | Prob Reserves | Assigned Reserves | Unassigned Reserves | Avg BTU/lb | Avg Sulph Content (lbs SO2 /mmBTU) | Ownership |
|---------------------------|--------------------------|------------------------------|--------------------------------|-----------------------|---|------------------|
| Powder River Basin | 588.7 | 588.7 | 0.0 | 8,400 | 0.8 | Primarily Leased |
| Northern Appalachia | 742.0 | 178.9 | 563.1 | 12,922 | 3.5 | Primarily Owned |
| Central Appalachia | 190.7 | 76.8 | 113.9 | 13,189 | 1.3 | Primarily Leased |
| Illinois Basin | 63.6 | 26.1 | 37.5 | 11,324 | 3.7 | Primarily Leased |
| Total | 1,585.0 | 870.5 | 714.5 | | | |